

9/25/72

AIRTEL

TO: ACTING DIRECTOR, FBI
FROM: ACTING SAC, ST. LOUIS (156-NEW)

MORRIS A. SHENKER, aka
Morrie Shenker,
Mo Shenker
WPPDA

OO: ST. LOUIS

For information captioned subject is the nationally known attorney from St. Louis who represented former Teamsters President JAMES HOFFA during HOFFA's federal appeal proceedings. Subject is also a close associate of numerous major hoodlum figures across the nation and has acted as counsel for several hoodlum dominated labor unions in the St. Louis area. He recently appeared before the U. S. Supreme Court in behalf of Pipefitters Union Local 562, St. Louis, Missouri during that unions appeal concerning the alleged misuse of union funds for political purposes. The Supreme Court ultimately reversed the convictions of the union and three of its top officers.

As a result of SHENKER's extensive hoodlum connections, St. Louis has been conducting investigation of him under the Anti-Racketeering Criminal Intelligence Program (SL 92-2088). The Anti-Racketeering case was originally opened 4/3/70, but was closed 7/17/70. It was reopened on 7/7/72. Investigation to date has been concerned with examination of SHENKER's extensive financial transactions in view of the fact that he is apparently devoting the majority of his time acting as a

2 - Bureau
3 - St. Louis
 (2 - 156-NEW)
 (1 - 92-2088)
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(5)

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SL 156-NEW

financier and is engaging in only a limited law practice.

During the same approximate periods of time that SHENKER was representing HOFFA he engineered several multi-million dollar loans from the Teamsters Union Pension Fund for the Southeast and Southwest Teamsters Conference which is based in Chicago, Illinois. The recipient of these loans was a San Diego, California promoter and real estate developer named IRVIN JULIUS KAHN. SHENKER received several large finder's fees for negotiating these loans at a time when he was receiving only negligible legal fees from HOFFA. Subsequently, during the same period of time that SHENKER and his law firm were representing the Pipefitters in their federal trials, he succeeded in obtaining over \$18,000,000 from that Union's Welfare and Pension Fund for KAHN. In these instances SHENKER received either substantial finder's fees or major interests in the properties financed with the Pipefitters' loans.

In view of SHENKER's legal representation of the Pipefitters as well as his close relationship to HOFFA, it is strongly felt that he exerted an unusually large amount of influence on both the Teamsters and Pipefitters' Pension Funds. Additionally, investigation has revealed that SHENKER is under retainer to approximately 24 employers whose employees donated to and are covered by the Teamsters Pension Fund Southeast and Southwest Conference.

Investigation has also revealed that in 1965 SHENKER negotiated a multi-million dollar loan from the Teamsters Pension Fund for a company called American Motor Inns, Inc. of Roanoke, Virginia. SHENKER received a large finder's fee for this loan also consisting of an initial payment of \$80,000 plus \$1200 per month for 120 successive months. These payments are still being made to SHENKER.

In view of the above St. Louis is placing the Anti-Racketeering case (SL 92-2088) on SHENKER in pending inactive status and is opening a new WPPDA matter as captioned above. The St. Louis Division and the St. Louis Office of the Labor Department are maintaining close liaison in relationship to this

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investigation and the Labor Department is cooperating fully with the Bureau's investigation.

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On 9/22/72, a discussion was held between the Case Agent in this matter and St. Louis Strike Force Attorney [redacted]. At that time [redacted] advised that the St. Louis Office of the Internal Revenue Service had recently conducted an extensive tax investigation on SHENKER in an attempt to develop a tax evasion case on him. This tax case when originally presented to the Tax Division of the Justice Department in early 1972, was declined for prosecution. During that tax investigation, Internal Revenue Service developed indications of some of the above described WPPDA violations. [redacted] advised further that these matters had not been referred to the St. Louis FBI Office but instead Internal Revenue Service had been given authority to investigate the WPPDA matter because it was felt that they had a better working knowledge of SHENKER's financial dealings.

It was pointed out to [redacted] that Internal Revenue Service had no jurisdiction in WPPDA matters and that departmental policy called for the immediate referral of any such allegations to the FBI for investigation. He answered by stating that in view of the fact AAG HENRY PETERSON had written a letter to Internal Revenue Service in April 1972 requesting Internal Revenue Service investigation of the WPPDA matter, Internal Revenue Service would continue its investigation of same.

In view of the fact that St. Louis and the St. Louis Internal Revenue Service Office are apparently conducting duplicate investigations in a manner over which the Bureau has primary investigative jurisdiction and the Internal Revenue Service has no jurisdiction whatsoever, FBI Headquarters may wish to resolve this duplicity with the Department to resolve any future conflict. St. Louis is continuing active investigation.

(Mount Clipping in Space Below)

Shenker Fee

In Sale: \$500,000

By EDWARD H. THORNTON
Of the Post-Dispatch Staff

A \$500,000 finder's fee has been set aside by Recrion Corp. for Morris A. Shenker, St. Louis criminal lawyer, for finding a group of purchasers for the Aladdin Hotel and gambling casino in Las Vegas, Nev.

The hotel-casino was purchased for \$5,250,000 early this year by three investors, Peter J. Webbe, chief deputy in License Collector Benjamin L. Goins's office, St. Louis lawyer Richard L. Daly and Sam Diamond, Las Vegas gambler, formerly of Detroit.

Shenker acknowledged that the finder's fee had been earmarked for him but said, "I've drawn only \$50,000 on account, so far."

"I won't be able to keep the entire \$500,000," Shenker said, "because it is my responsibility to settle with other persons who claim a part of the finder's fee. Most of them already have been paid."

"I am not sure just how much of the money I finally will get, but I'll get the bulk of it."

Shenker acknowledged that one of those who participated in the finder's fee is St. Louis Public Administrator Sorkis J. Webbe, Peter Webbe's older brother, who is attorney for the new owners of the Aladdin.

Sorkis Webbe received "only a minor part of the fee," Shenker said. He refused to say how much or to identify others who were to participate in the fee.

However, records of the Nevada Gaming Control Board showed that three other persons were to share in it with Shenker and Webbe. They are Jack Catain Jr., J. Fihn and Sam Calabrese, none of whom is listed in St. Louis or St. Louis County directories.

Shenker, who is under investigation by the Internal Revenue Service, is a part owner in a competitor of the Aladdin, the posh Dunes Hotel and casino.

Shenker told the Post-Dispatch that the amount of cash invested by the three purchasers of the Aladdin was between \$500,000 and \$600,000.

Inquiry by the Post-Dispatch showed that Peter Webbe and Daly each invested \$125,000 in the Aladdin deal and Diamond furnished the balance.

Webbe, who was appointed to his \$13,500-a-year job in Goins's office Nov. 10, 1970, after serv-

TURN TO PAGE 17 COL. 1

(Indicate page, name of newspaper, city and state.)

1 ST. LOUIS
POST-DISPATCH

ST. LOUIS, MO.

Date: September 24, 1972
Edition: Sunday

Author:

Editor:

Title: MORRIS A. SHENKER,
SR.

Character: AR
or

Classification: SL 92-2088
Submitting Office: St. Louis

XX Being Investigated 156-202

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Morris Shenker
Big finder's fee

Finder's Fee For Shenker

■ FROM PAGE ONE

ing as a \$7200-a-year deputy coroner for seven years, borrowed his \$125,000 from the Missouri State Bank & Trust Co., Twelfth Boulevard and Olive Street, it was learned.

The loan was secured by a \$150,000 certificate of deposit owned by Webbe's uncle and aunt, Mr. and Mrs. Joseph Webbe. Joseph Webbe is a professional bondsman.

Daly did not have to borrow his \$125,000, it was learned. He is reported to have a lucrative law practice. He is associated with the law firm of Rooney, Webbe (Sorkis J.), Davidson and Schlueter at 7 North Seventh Street.

The original group of investors assembled by Shenker to purchase the Aladdin included three Detroit men whose applications for gaming licenses were denied by the Nevada Gaming Control Board because of their business associations with organized crime leaders and hoodlums.

Before the purchase of the Aladdin became final, Webbe, Daly and Diamond had to assume the obligations of these Detroit men, amounting to more than \$200,000.

The Detroit men are Charles Goldfarb, a professional bondsman, his brother, Irwin, and George George.

Investigators for the Nevada Gaming Control Board reported at a hearing on the applications that they had found that all three men were closely associated in business dealings with well-known Detroit hoodlums and leaders of organized crime in that area.

One of those with whom the Goldfarbs were associated was Jack Shapiro, who was sentenced to three years in prison and fined a total of \$30,000 last July in United States District Court at Los Angeles after being found guilty of conspiring to violate antiracketeering laws.

Shapiro, five other individuals and Emprise Corp., Buffalo, N.Y., sports concessionaire, all were found guilty of conspiring to conceal ownership of the Frontier Hotel and casino in Las Vegas in 1966 and 1967. They were found guilty of using interstate facilities to further their scheme.

Among the individuals were Anthony J. Giordano, reputed head of the Mafia here, and two Detroit Mafia leaders. The convictions have been appealed.

F B I

Transmit in _____ Via Airtel
(Type in plaintext or code)

(Priority)

TO: Acting SAC, St. Louis

Date 9/27/72

FROM: Acting Director, FBI

MORRIS A. SHENKER, ETC.
WPPDA

Reurairtel 9/25/72.

A review of reairtel reflects a series of circumstances and events upon which it appears St. Louis has instituted a WPPDA investigation. It is not clear from a review of reairtel what precise loans are involved, that is, date, amount and recipient, in the alleged WPPDA violations which you are investigating; and whether the finder's fee was paid by the pension funds or by the recipients of the loans. Inasmuch as subject appears to have no appointed or elected affiliation with either of the pension funds referred to, it is not clear what relationship he has which would make his receipt of such payments a violation of WPPDA.

Suairtel setting forth specific information with respect to the above observations and include a statement from the Strike Force attorney that these specific allegations constitute a violation of the specific statute which he should cite.

With respect to the activities of the Internal Revenue Service in conducting WPPDA investigation, St. Louis should advise what specific allegations of violation of WPPDA have been referred to Internal Revenue Service and on which they have ongoing investigation. In this regard furnish the date and caption of the letter to Internal Revenue Service from Assistant Attorney General Henry Petersen (furnish a copy of letter if possible) and whether this letter makes specific reference to Internal Revenue Service conducting a specific investigation to develop information solely of a WPPDA violation.

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Airtel to Acting SAC, St. Louis
RE: MORRIS A. SHENKER

It is noted that in the last paragraph of your airtel you observed that Internal Revenue Service and your office are apparently conducting duplicate investigations. You should determine through the Strike Force whether you are, in fact, duplicating investigations and in such event further investigation should not be conducted by your office in absence of specific authorization by the Bureau.

9/29/72

AIRTEL

AIRMAIL

TO: ACTING DIRECTOR, FBI

FROM: ACTING SAC, ST. LOUIS (156-20) P

SUBJECT: MORRIS A. SHENKER, aka
WPPDA
OO: SL

ReBuairtel, 9/27/72.
SL airtel, 9/25/72.

The following loans are the basis of instant investigation:

Loan Number One

In mid 1965, the Teamsters Pension Fund (Central States Southeast-Southwest area), loaned \$6,000,000 to a firm known as American Motor Inns, Inc. (AMI) of Roanoke, Va. As a result of this loan, SHENKER received an \$80,000 payment on 12/30/65 from AMI, as well as an agreement from AMI to pay him \$1200 per month for a ten year period commencing 2/66. Additionally, he received a substantial retainer contract which subsequently has been cancelled after most of it had been paid. SHENKER is still receiving the \$1200 monthly payments.

Loan Number Two

In 1969 the Teamsters Union Pension Fund, described above, loaned AMI an additional \$2.65 million for which AMI paid SHENKER a \$37,500 fee.

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Loan Number Three

On 10/7/70, the Pipe Fitters Union Local 562, Welfare and Pension Funds, SLMO, loaned \$4.5 million to IRVIN JULIUS KAHN, dba Murietta Hot Springs, Inc., San Diego, Calif.

Loan Number Four

On 1/14/71, the Pipe Fitters Union, Welfare and Pension Fund, described above, loaned KAHN, dba Murietta, \$2.5 million.

Loan Number Five

On 7/14/71, the Pipe Fitters again loaned KAHN, dba Murietta, \$5,000,000.

Investigation by SL has revealed that on or about 9/23/71, SHENKER received a half interest in Murietta Hot Springs from KAHN and it is believed that this was a direct result of the three loans (#3, #4, & #5 above) which SHENKER negotiated for KAHN from the Pipe Fitters.

Additional investigation has revealed that SHENKER has been an extremely close ally of the Pipe Fitters Union and its officers for many years, in addition to his recent representation of same. It has also been determined that SHENKER has performed legal services for or was retained by 24 employers whose employees are covered by the above described Teamsters Pension Fund.

On 9/29/72, St. Louis Strike Force Attorney [redacted] advised that he is of the opinion that the above described transactions constitute a violation of T. 18, USC, Section 1954. He feels SHENKER had a direct legal affiliation with the Pipe Fitters and an indirect legal affiliation with the Teamsters and while serving in such capacity received fees, commissions, and other things of value from the previously described loan recipients because of his having negotiated the loans.

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With respect to the activities of IRS in conducting a WPPDA investigation regarding SHENKER, St. Louis Strike Force Attorney-in-charge [redacted] today advised that IRS will discontinue such investigation. It should be noted that the IRS investigation pertained to loans numbered One and Two previously described.

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LOWRIE and [redacted] declined to provide a copy of the letter to IRS from Assistant Attorney General PETERSON, but did make same available for review. This review revealed that the letter was dated 3/28/72 and was addressed to IRS Commissioner [redacted] Washington, D.C. This letter first described briefly the background of the IRS tax case of which prosecution had already been declined, and next stated that indications of a WPPDA violation had been discovered during the tax investigation. The letter closed with the following paragraph:

"In view of the complexity of this matter, we feel that it would be advantageous to our possible prosecution for those Internal Revenue Service agents who are familiar with the facts of the matter to continue the investigation under Title 18, United States Code, Section 1954. Therefore, we request that you assign agents from your Service to investigate the possible 1954 violation."

The letter was signed by AAG PETERSON.

Per instructions, no further action is being taken regarding this matter pending receipt of specific authorization from FBIHQ.

F B I

Date: 10-2-72

Transmit the following in PLAINTEXT
(Type in plaintext or code)Via TELETYPE NITEL
(Priority)

PM NITEL 10-2-72 LEF

TO: ACTING DIRECTOR, FBI

FROM: ST. LOUIS (156-20) P ONE PAGE

MORRIS A. SHENKER, AKA. WPPDA. OO: SL.

RE SL AIRTEL, SEPTEMBER TWENTYNINE LAST, AND BUAIRTEL, SEPTEMBER TWENTYSEVEN, LAST.

ST. LOUIS STRIKE FORCE ATTORNEY [REDACTED] ADVISED TODAY THAT FEDERAL GRAND JURY MEETING OCTOBER THREE AND FOUR NEXT. HE HAS ISSUED SUBPOENA FOR [REDACTED]

ABOVE [REDACTED] BELIEVED TO CONTAIN INFORMATION VITAL TO [REDACTED]

FGJ

WILL NOT MEET AGAIN UNTIL NOVEMBER.

INASMUCH AS ST. LOUIS HOLDING FURTHER INVESTIGATION OF INSTANT MATTER IN ABEYANCE PER REBUAIRTEL, BUREAU ADVISE.

-END-

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Approved: _____

Special Agent in Charge

Sent WA 8:18 p M

Per. CD

NR058 WA PLAIN

6:32 PM NITEL 10/3/72 DWH

TO ST. LOUIS (156-20)

FROM ACTING DIRECTOR 2P

IRVIN JULIUS KAHN; MORRIS A. SHENKER; PIPEFITTERS UNION
LOCAL FIVE SIX TWO; WELFARE AND PENSION FUND; ST. LOUIS,
MISSOURI; WPPDA.

REURTEL OCTOBER TWO LAST CAPTIONED "MORRIS A. SHENKER,
AKA. WPPDA. OO: SL," AND BUCAL OCTOBER THREE INSTANT.

THIS WILL CONFIRM AUTHORITY GIVEN IN REBUCAL TO INSTITUTE
INVESTIGATION IN CAPTIONED MATTER. SUAIRTEL ENCLOSING LHM
CAPTIONED AS ABOVE SETTING FORTH ^①PREDICATION, ^②BASIC
ALLEGATION, ^③INFORMATION BRINGING SHENKER WITHIN THE STATUTE
AND, SPECIFICALLY, ^④A CLEAR STATEMENT OF THE STRIKE FORCE
ATTORNEY THAT IRS IS NOT CONDUCTING WPPDA INVESTIGATION AND
^⑤THAT THE CRIMINAL DIVISION'S APRIL, ONE NINE SEVEN TWO,
REQUEST FOR IRS INVESTIGATION IS NO LONGER IN EFFECT AND WILL
NOT RESULT IN DUPLICATION OF INVESTIGATION.

SHOULD YOUR INITIAL INVESTIGATION SUPPORT ALLEGATION AND
SHOULD THE SCOPE BE BROADENED TO INCLUDE LOANS TO OTHER THAN
KAHN, SEPARATE FILES SHOULD BE OPENED RE BORROWER INCLUDING

END PAGE ONE

mdo

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press this matter

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PAGE TWO

SHENKER AND PENSION PLAN EXTENDING LOAN IN CAPTION.

KEEP BUREAU APPRISED OF PERTINENT DEVELOPMENTS ON
CURRENT BASIS.

END

LEF SL CLR

156-20

St. Louis, Missouri
October 4, 1972

IRVIN JULIUS KAHN;
MORRIS A. SHENKER, aka
Morrie Shenker,
Mo Shenker;
Pipefitters Union Local 562
Welfare and Pension Funds
St. Louis, Missouri
WELFARE AND PENSION
PLAN DISCLOSURE ACT

Morris A. Shenker is a nationally known attorney from St. Louis, Missouri who recently appeared before the U.S. Supreme Court in behalf of Pipefitters Union Local 562, St. Louis, Missouri, during that union's appeal concerning the alleged misuse of union funds for political purposes. Additionally, Shenker has represented former Teamsters Union President James Hoffa in various Federal Court proceedings. Shenker has also been a long-time associate of numerous major hoodlum figures across the nation.

Irvin Julius Kahn is a prominent real estate developer in San Diego, California and was formerly an attorney who represented various hoodlum figures in the San Diego area. Several years ago Kahn was rescued from near bankruptcy by several multi-million dollar loans from the Teamsters Union, Central States - Southeast and Southwest Areas Pension Fund, which is based in Chicago, Illinois. Kahn has been good friends with Morris Shenker for several years and they have been partners in several business ventures.

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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency, nor duplicated within your agency.

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COPY TO

ST. LOUIS STRIKE FORCE
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IRVIN JULIUS KAHN;
MORRIS A. SHENKER, aka
Morrie Shenker,
Mo Shenker;
Pipefitters Union Local 562
Welfare and Pension Funds
St. Louis, Missouri

On July 7, 1972 representatives of the St. Louis Office of the U.S. Department of Labor advised the St. Louis Division of the Federal Bureau of Investigation that their agency was conducting a current examination of the records of the Pipefitters Union Local 562. During this examination they had occasion to review records of that Local's welfare and pension funds, and, as a result, discovered minutes of meetings of the trustees of those funds wherein loans were approved to Irvin Julius Kahn doing business as Murietta Hot Springs, Inc., which is situated in Southern California. These minutes indicated that Shenker appeared to be negotiating the loans from the funds for Kahn.

Specifically, these loans were as follows:

On October 7, 1970 the funds loaned \$4.5 million to Kahn.

On January 14, 1971 the funds again loaned Kahn an additional \$2.5 million.

On July 14, 1971 the funds loaned Kahn additional \$5 million.

The St. Louis Labor Department representatives additionally advised that they had also examined records at the Pipefitters Local Office indicating that Shenker received a half interest in Murietta Hot Springs on or about September 23, 1971.

Shenker has been extremely close ally of the Pipefitters Union and its officers for many years, and in 1971 and early 1972 Shenker has personally represented the Pipefitters Union before the U.S. Supreme Court in that Union's appeal from a conviction for election law violations.

IRVIN JULIUS KAHN;
MORRIS A. SHENKER, aka
Morrie Shenker,
Ho Shenker;
Pipefitters Union Local 562
Welfare and Pension Funds
St. Louis, Missouri

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On September 22, 1972 Special Attorney [redacted] of the St. Louis Organized Crime Strike Force, advised that the St. Louis Office of the Internal Revenue Service (IRS) was presently conducting an investigation of Shenker regarding possible violations of the Welfare and Pension Plans Disclosure Act. [redacted] further advised that IRS was conducting that investigation under the authority of a letter from the U.S. Department of Justice, Criminal Division, requesting them to conduct such investigation.

On October 3, 1972 Attorney in Charge [redacted] of the St. Louis Organized Crime Strike Force, advised that he had conversed with Justice Department Officials and that the written request to the IRS to conduct an investigation of possible violations of the Welfare and Pension Plans Disclosure Act by Shenker is no longer in effect, and that IRS has discontinued such investigation. [redacted] further advised that, as a result, there will be no duplication of investigative efforts regarding Shenker by the IRS and the Federal Bureau of Investigation.

Preliminary discussions have been held between the St. Louis Division of the Federal Bureau of Investigation and Strike Force Attorney [redacted] and [redacted] has advised that he is of the opinion that Shenker has a direct attorney-client affiliation with the pipefitters Union. [redacted] also stated that he feels that Shenker receiving a half interest in Murietta Hot Springs from Kahn after negotiating the loans for Kahn from the Pipefitters may constitute a violation of Title 18, U.S. Code, Section 1954.

10/4/72

AIRTEL

AIRMAIL

TO: ACTING DIRECTOR, FBI
FROM: SAC, ST. LOUIS (156-20) (P)
SUBJECT: IRVIN JULIUS KAHN;
MORRIS A. SHENKER, aka;
Pipefitters Union Local 562
Welfare and Pension Funds,
St. Louis, Missouri
WPPDA
OO: ST. LOUIS

Re Bureau nitel, 10/3/72.

Enclosed is an original and three copies of an LHM setting forth details of instant investigation.

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② - St. Louis

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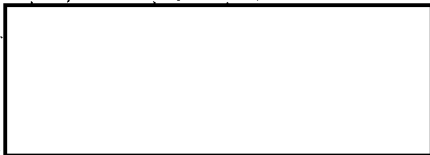
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FEDERAL BUREAU OF INVESTIGATION

1Date of transcription: 9/6/72

A review of the records in the Clerk's Office of the United States Court of Appeals for the 8th Circuit at St. Louis, Missouri revealed a docket sheet captioned, "United States of America, Appellee, vs. Pipefitters Local Union #562, St. Louis, Missouri, affiliated with the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada. AFL-CIO, LAWRENCE L. CALLANAN, [redacted] and [redacted] Appellants." A review of this docket sheet revealed the following:

Attorneys for the Appellants are listed as:



On October 3, 1968, the Notice of Appeal was received from the U. S. District Court and docketed. Various motions and briefs were filed at various times through January 12, 1970 and on that date [redacted] made oral argument before the Court for the Appellants.

On October 14, 1970, additional oral argument was submitted by [redacted] for the Appellants.

On November 24, 1970, the Court of Appeals affirmed the previous conviction of the Appellants.

On June 3, 1971, the U. S. Supreme Court granted a Writ Certiorari in this matter and on June 27, 1972, either vacated or reversed the convictions of the Appellants.

A copy of the case docket sheet in this matter was obtained from the Clerk's Office.

Interviewed on 9/1/72 at St. Louis, Missouri File # SL-156-20-9
SL-92-2088-
by SA [redacted] vlm Date dictated 9/5/72

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/20/72

1

Special Attorney [] assigned to the U.S. Department of Justice Strike Force, at St. Louis, Missouri, made available photostat copies of minutes of meetings of the Board of Trustees of the Pipefitters Union Local 562 Pension and Welfare Funds. A review of these minutes reveal the following information, which is being quoted directly from the minutes of the meetings held on the dates indicated:

June 14, 1970

"All members of the Boards of Trustees were present with the exception of []

"A letter of June 4, 1970, from Murrieta Hot Springs, Mr. Irvin Kahn was presented regarding a loan and the trustees indicated an interest in meeting with Mr. Kahn to hear more about the project. A meeting was scheduled for June 24, 12:00 noon at the Chase Hotel for luncheon."

September 30, 1970

"All trustees were present with the exception of [] Also present were [] Attorney, and representatives of Murrieta Hot Springs."

"The trustees again discussed and considered the application for a loan made by letter addressed to the Trust Funds under date of September 16, 1970. Seeking a loan of \$4,500,000 it was proposed, inter alia, that a note bearing interest at the rate of 9% per

Interviewed on 9/15/72 at St. Louis, Missouri File # SL 92-2088
by SA [] :prk Date dictated 9/20/72

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SL 92-2088

"annum be given; that the note be secured by a first deed of trust; that release and substitution rights be provided for at the option of Murrieta Hot Springs; and that prepayment privileges be granted on the basis of a 5% penalty the first year, 2½% the second year and no penalty thereafter."

"The loan application was supported by the appraisal report and valuation analysis of [redacted], dated June 10, 1970. It appears therefrom that the real property offered as security for the loan had a value of \$7,100,000 as of June 10, 1970."

"The subsequent inspection, appraisal and valuation of [redacted] reveals that the real property offered as security has a value of \$7,528,366 as of September 26, 1970."

"Fund trustees and attorney [redacted] reported on their recent visit to Murrieta Hot Springs and gave their views and opinions to the effect that they believe that the loan is safe and prudent."

"Thereafter, the trustees fully discussed the matter and all trustees voted to approve and make a loan in the amount applied for...."

January 7, 1971

"All trustees were present. Also present were [redacted] Attorney, and representatives of Murrieta Hot Springs."

"Murrieta Hot Springs made formal application for a loan in the principal sum of \$2,500,000.00 to be secured by a first deed of trust on real property having a value of at least thirty percent in excess of the amount of the loan. It was proposed that the loan bear

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SL 92-2088

"interest at the rate of eight percent per annum; that the term of the loan be for eight years with interest only being payable for the first three years on a monthly basis and during the last five years, monthly payments on both principal and interest to be paid; that the borrower have the option to request and obtain releases of parts or parcels of real property covered by the terms of the deed of trust either by cash payment of 125 percent of the value of the parts or parcels released or, should the borrower elect, by the substitution of other real property; and that the borrower have the option to repay the loan in whole or in part without premium or penalty."

"Thereafter, the Boards of Trustees discussed this loan application in detail in executive session and all trustees voted to approve and make a loan of \$2,500,000...."

"The Boards of Trustees next discussed the request for substituted collateral in connection with the previous loan made to Murrieta Hot Springs. The trustees decided to accept other real property as substitute collateral and approved of the various papers and documents attached to the letter of our attorney dated January 4, 1971."

January 19, 1971

"All trustees were present."

"It was agreed that trustees [redacted] and [redacted] were to go out to Murietta Hot Springs to inspect the facilities and grounds that will serve as collateral for the loan."

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SL 92-2088

March 3, 1971

"All trustees were present."

"The Murrieta loan transactions were discussed at length, at this time. [redacted]

[redacted] reported on their trip to Murrieta. They were both very favorably impressed with the property and its potential value. The papers and documents which had been released to the trustees by [redacted] office were reviewed and the substitution of collateral was discussed."

June 30, 1971

"All trustees were present with the exception of [redacted] who is still in the hospital. Also present was [redacted] attorney for the Boards."

"The trustees then admitted into the meeting representatives of Murietta Hot Springs who made written application for an additional loan in the principal sum of five million dollars (\$5,000,000) and orally explained the basis for the additional loan and the security to be offered therefor. The loan application proposed interest at the rate of seven percent (7%) per annum which was unacceptable to the trustees. The trustees, after excusing the representatives of Murietta Hot Springs, voted to approve and make this additional loan on the basis of interest at the rate of seven and one-half percent (7½%) per annum if the adequacy of the security is certified and if the same general terms and conditions of the previous loans were acceptable to the loan applicant. It was then determined that the rate of interest of seven and one-half percent (7½%)

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SL 92-2088

"and the basic terms and conditions of previous loans was agreeable to the applicant. Thereupon the trustees voted to make and approved the loan and instructed attorneys for the funds to effectuate the various details."

July 27, 1971

"All trustees were present. Also present were [redacted] and [redacted] attorneys for the Boards of Trustees."

"The attorneys made a full report on the last loan to Murietta Hot Springs, including full reporting on the real property which is security for the three loans and this, in turn, included reports on partial reconveyances to date. The trustees fully discussed the three loans and the security covering each and ratified and approved all details pertaining to the loan, including partial reconveyances to date, endorsements on notes and deeds of trust."

"The trustees next discussed the request for partial reconveyance on streets in the Murietta Hot Springs area and authorized and directed the partial reconveyance for street purposes."

"The fee and traveling expenses of attorneys in connection with the consummation of the last loan were duly approved, it being understood that the borrower will reimburse the Trust Fund."

"The trustees discussed and decided to change certain portions of the resolution setting forth the general terms and conditions under which the last loan to Murietta Hot Springs was made and the attorneys were directed to re-draft the resolution accordingly."

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SL 92-2088

December 22, 1971

"All trustees were present. Also present were [redacted] attorneys. Representatives of E.A.I., Inc., were also present."

"An application for a \$6,000,000 to a \$6,500,000 loan made by a letter addressed to the trust funds under the date of December 17, 1971, was discussed and considered by the trustees. It was proposed in the application, that a note bearing interest at the rate of $6\frac{3}{4}\%$ per year be given; that the note be secured by a first deed of trust on two parcels of property in San Diego; that release and substitution rights be provided for the borrower; and that prepayment privileges be granted on the basis of a 5% penalty the first year, 4% the second, 3% the third, 2% the fourth and 1% the fifth, and no penalty thereafter."

"The loan application was supported by the appraisal report and valuation analysis of [redacted], selected by the trustees, dated December 15, 1971."

"It appears therefrom that the real property offered as security for the loan had values of approximately \$4,900,000 for the 606 acre track of unimproved land and \$3,800,000 value for the property consisting of 30 acres in a warehouse facility now occupied and leased by the United States Government for a Post Office operation in the San Diego, California, area."

"Thereafter, the trustees fully discussed the matter and all trustees voted to approve

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"and make a loan in the amount applied for...."

"The trustees then discussed the proposal of substitution of collateral concerning the third loan at Murrieta Hot Springs. The amount to be released consists of properties appraised at a value of approximately \$1,500,000. The trustees voted to make the substitution of collateral."

Special Attorney [redacted] also made available photostat copies of the following documents, review of which revealed the following information:

- 1) Letter on stationery of the Valley Bank of Nevada, 113 South 4th Street, Las Vegas, Nevada, dated December 14, 1969, addressed to the Title Insurance and Trust Company (no further address given) and signed by [redacted]

This letter advised that "funds in the amount of \$1,350,000 have been arranged for Mr. Irving Kahn and/or his company, Marietta Hot Springs." The letter further advised that funds would be available on December 18, 1969.

- 2) Articles of Incorporation of Murietta Hot Springs, filed with the Secretary of State of the State of California, on October 8, 1969.

This document states that the purpose of Murietta Hot Springs is to engage in the operation of hotel and resort areas and to engage in other activities associates with that type of business within the County of San Diego.

The names and addresses of the persons who are

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SL 92-2088

appointed to act as first directors are:

IRVIN J. KAHN
3010 Cowley Way
San Diego, California 92117

[REDACTED]
3010 Cowley Way
San Diego, California 92117

[REDACTED]
3010 Cowley Way
San Diego, California 92117

These articles are incorporated and signed by the above three individuals.

- 3) A Notice of Intended Transfer Under Sections 24073 and 24074, California Business and Professions Code

This document lists Murrieta Hot Springs, Murrieta, California, 92362, as being the current licensee and indicates the transferee as being Mr. MORRIS SHENKER, 408 Olive Street, St. Louis, Missouri. The document further indicates that the type of license intended to be transferred is an "on sale general bonafide eating place, located four miles east of Murrieta". The document also states that total consideration to be paid for the business and license is \$50,000.

- 4) A letter on the stationery of Murrieta Hot Springs, dated October 29, 1971, addressed to [REDACTED] in care of Department of Alcoholic Beverage Control, 303 West 3rd Street, Room 146, San Bernadino, California. The letter is signed by [REDACTED] for Murrieta Hot Springs. It transmits from [REDACTED] to [REDACTED] copies of stock certificates showing

⁹
SL 92-2088

500 shares each in the names of IRVIN
J. KAHN and MORRIS A. SHENKER.

Attached to this letter were copies of the above-
described stock certificates of Murrieta Hot Springs.

Upon completion of the above review, [] made
available photostat copies of all of the above-described
documents.

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 8/28/72

A review of the records in the Clerk's Office of the United States District Court for the Eastern District of Missouri revealed that docket number 68Cr99(3) pertained to the case of the United States vs. Pipefitters Local Union #562, St. Louis, Missouri, and LAWRENCE L. CALLANAN, [redacted]

A review of the docket sheet for this matter revealed the following:

On May 9, 1968 the above described Union and individuals were indicted for violation of Title 18, United States Code, Section 371.

On June 3, 1968, attorneys [redacted] and [redacted] appeared as attorneys for defendants CALLANAN and [redacted] and attorney [redacted] appeared as attorneys for defendant [redacted]

On September 3, 1968, [redacted] withdrew as attorney for CALLANAN, [redacted] and reentered as attorney for Pipefitters Local #562. Attorney [redacted] withdrew his appearance as attorney for [redacted] and re-entered as attorney for Local #562 and [redacted] Attorney [redacted] entered as attorney for Local #562 and for [redacted] Attorney [redacted] withdrew as attorney for CALLANAN and [redacted] and re-entered as attorney for Local #562 and CALLANAN.

On September 19, 1968, Local #562, CALLANAN, [redacted] were all found guilty as charged in the indictment.

On September 27, 1968, the defendants were sentenced as follows:

Interviewed on 8/18/72 at St. Louis, Missouri File # 156-20-11 SL 92-2088

by SA [redacted]:kmt

Date dictated 8/24/72

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SL 92-2088
TRP:kmt

Local #562 was fined \$5000;



CALLANAN was fined \$1000 and sentenced to one year imprisonment.

On September 29, 1968, a notice of appeal from the above convictions was filed on behalf of all defendants.

On June 21, 1972, a mandate was received from the United States Supreme Court vacating the sentences of CALLANAN and [redacted] and reversing the convictions of Local #562 and [redacted].

A copy of the case docket sheet as well as the record of proceedings in criminal cases before the United States Commissioner in this matter was obtained from the Clerk's Office.

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 8/28/72

A review of a photostatic copy of the United States Supreme Court docket sheet for docket number A-70-1289 in the matter entitled "Pipefitters Local Union #562, Et Al, vs. The United States" (as provided to the St. Louis Division of the Federal Bureau of Investigation by the Washington Field Office of the Federal Bureau of Investigation) revealed that counsel for the petitioners in this matter (Pipefitters, Et Al) were listed as [redacted]

[redacted], MORRIS A. SHENKER, and [redacted]

A review of printed copies of the petitions and briefs filed in this matter, which was subsequently assigned docket number 70-74 before the United States Supreme Court and which copies were made available to the St. Louis Division of the Federal Bureau of Investigation by the Washington Field Office of the Federal Bureau of Investigation, revealed the following:

On January 29, 1971, a petition for Writ of Certiorari was filed in this matter listing [redacted] and [redacted] all of St. Louis, Missouri, as attorneys for the petitioners.

On September 3, 1971, a brief for the Amici Curiae in support of the petitioners in this matter was filed with the Supreme Court by attorneys for officers of the United Mine Workers of America, of which [redacted] is [redacted]

This brief states that both of these individuals are presently under indictment in the United States District Court for the District of Columbia for violations of Title 18 of the United States Code.

Interviewed on 8/24/72 at St. Louis, Missouri File # SL 156-20-12
SL-92-2088
by SA [redacted] :kmt Date dictated 8/24/72

2
SL 92-2088
TRP:kmt

On November 26, 1971, a brief for the petitioners was filed in this matter and this brief was submitted by attorneys [REDACTED] and additionally MORRIS A. SHENKER and [REDACTED] who listed themselves as attorneys for the petitioners.

On February 17, 1972, the petitioners in this matter filed a motion with the court for leave to file a supplemental memorandum after argument along with the supplemental memorandum. Listed on this motion as attorneys for the petitioners were attorneys [REDACTED] SHENKER [REDACTED]

On March 15, 1972, a petitioners supplemental brief was filed with the court in this same matter and this petition listed attorneys [REDACTED] SHENKER, [REDACTED] [REDACTED] as attorneys for the petitioners.

On June 22, 1972, the Supreme Court reversed the convictions in this matter of the Pipefitters Local #562 and vacated the convictions against LAWRENCE CALLANAN, [REDACTED] and [REDACTED] [REDACTED] and remanded them to lower courts.

SA

SUBJECT: MORRIS A. SHENKER, aka
AR
OO: SL

On 8/23/72 the attached report was obtained from Dun and Bradstreet regarding captioned subject and is enclosed for this file.

per ① - St. Louis
TRP:kmt
(1)



5010-108

156-20-14

12-2088-35

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 28 1972	
FBI-ST. LOUIS	

[Signature]

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DUN & Bradstreet REPORT

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RATING

SHENKER, MORRIS A

ATTORNEY

N Q

408 OLIVE ST; SUITE 802
ST LOUIS MO 63101
TEL 314 CHI-6116

Morris Shenker born Jan 10 1907, married, long time resident of St. Louis. He has attended St. Louis University and received AB from Washington University in 1932. He received LLB from Washington University also in 1932 and was admitted to the Missouri Bar in that year. He served in the Missouri Supreme Court in 1934, U. S. District Court, Eastern Division of Missouri in 1936, U. S. Court of Appeals, 8th Circuit in 1949, U. S. Supreme Court in 1940. He was Provisional Judge for City Court of St. Louis in 1939 to 1940. He was Provisional Judge for the Court of Criminal Correction from 1947 to 1950. He was visiting lecturer of the Law Student Association, University of Missouri 1954. Lecturer of the Law of Science Institute co-sponsored by the Schools of Law and Medicine of the University of Texas in 1957. He is co-founder and President of Dismas House from 1949 to present. He is member of the National Board of Governors, Development Corporation of Israel and has been since 1959. He has been Vice President of the Jewish Foundation of St. Louis from 1963. Has been trustee for Jewish Community Centers Association since 1963. Has been member of Board of Overseers of the Jewish Theological Seminary of America since 1964. Was recipient of the Human Relations Award of St. Louis University 1964. He is member of the Internal Board of Governors of the Hebrew University, Board of Governors, Child Center of Our Lady of Grace, Board of Directors of Jewish Hospital, St. Louis. He is member of the Lawyers Association of St. Louis and appeared as Chairman of Criminal Law and Procedure from 1944 to 1958. He is member of the American Bar Association and was panellist in 1961 and member of the Council on Criminal Law Section from 1964 to present. He is member of the National Association of Defense Lawyers and has appeared as President of that association since 1964 and Director since 1961.

Maintains law offices at captioned address on 8th floor of brick office building, downtown St. Louis. Specializes in general, trial, and appellate practice, state and federal court and criminal law, for clients on fee basis. There are a number of employees.

Morris Shenker has declined to furnish individual balance sheet for publication. Available information indicates subject individually is reported to represent good sized resources although detailed break down is not furnished. Operating figures likewise not determined but Shenker is known to maintain sizable practice which over the years has afforded him a comfortable living. As a matter of general interest, his wife also is attorney. Close details regarding liabilities if any not determined. Individually Shenker has established a reputation for discharging obligations in prompt manner.

3-8 (94 27)

10-6-72

AIRTEL

TO: SAC, HONOLULU

FROM: SAC, ST. LOUIS (92-2088) P*

MORRIS A. SHENKER, aka
AR
OO: St. Louis

Re St. Louis airtel to Las Vegas, 9-6-72; St.
Louis airtel to Honolulu, 9-19-72.

For information of receiving offices, investigation
conducted at St. Louis regarding subject under the Anti-
Racketeering Criminal Intelligence Program has resulted in
the opening of three separate criminal investigations
pertaining to possible Federal violations by subject.
These are captioned as follows:

Aladdin Hotel, Las Vegas, Nevada
MORRIS A. SHENKER;
SORKIS WEBBE;



ITAB - G
OO: St. Louis
SL 166-173

- 2 - Honolulu
- 2 - Las Vegas
- 2 - Los Angeles
- 2 - Sacramento
- 4 - St. Louis
 - 1 - 92-2088
 - 1 - 166-173
 - 1 - 156-20
 - 1 - 156-21

TRP:ss

12

156-20-15

SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

SL 92-2088

MORRIS A. SHENKER;
AMERICAN MOTOR INNS, INC.
ROANOKE, VIRGINIA;
TEAMSTERS UNION
CENTRAL STATES SOUTHEAST-SOUTHWEST AREA
PENSION FUND
CHICAGO, ILLINOIS
WPPDA
OO: St. Louis
SL 156-21

MORRIS A. SHENKER;
IRVIN JULIUS KAHN;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUND
ST. LOUIS, MO.
WPPDA
OO: St. Louis
SL 156-20

Leads set out to receiving offices in referenced airtels were transmitted under the Anti-Racketeering Intelligence case on SHENKER which is now in pending inactive status at St. Louis. Results of these leads should be reported to St. Louis to the respective substantive case files set out in lead section below rather than SL 92-2088.

L E A D S

THE LAS VEGAS DIVISION

AT LAS VEGAS AND CARSON CITY, NEVADA

Will report results of investigation previously requested to St. Louis file 166-173.

SL 92-2088

THE LOS ANGELES DIVISION

AT SAN BERNADINO, CALIFORNIA

Will report results of investigation previously requested to St. Louis file 156-20.

THE SACRAMENTO DIVISION

AT SACRAMENTO, CALIFORNIA

Will report results of previously requested investigation to St. Louis file 156-20.

THE HONOLULU DIVISION

AT HONOLULU, HAWAII

1) Will report results of previously requested investigation to St. Louis file 156-21.

2) Will discontinue lead to obtain toll records for past six months on telephone utilized by [redacted] inasmuch as same already obtained through IRS at St. Louis.

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

b6
b7C
b7DDate of transcription 10/6/72A subpoena duces tecum was served upon [REDACTED]
[REDACTED]At the time of service of the subpoena [REDACTED]
[REDACTED]

but declined to answer any other questions without having his attorney present.

Interviewed on 10/4/72 at St. Louis, Missouri File # SL 156-20-16
by SA [REDACTED] Pcac Date dictated 10/5/72

b6
b7C

FBI

Transmit in _____ Via Airtel
(Type in plaintext or code)

(Priority)

Date 10-12-72

To: SAC, St. Louis (156-20)

From: Acting Director, FBI

IRVIN JULIUS KAHN;
MORRIS A. SHENKER, aka;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUNDS,
ST. LOUIS, MISSOURI
WPPDA
OO: ST. LOUIS

Reurairtel dated 10-4-72.

The LHM submitted with reairtel is not being disseminated and amended pages should be submitted concerning the following observations.

In the first paragraph on page 1, Morris Shenker is characterized as being a long-time associate of numerous major hoodlum figures across the nation. Such a characterization should not be made unless it can be attributed to a specific source and then only where such a characterization would be material to the issues. Depending upon which issues are deemed pertinent, this characterization should be deleted or properly documented.

In the second paragraph of page 1, a similar characterization is made concerning Irvin Kahn and the comments above apply to this characterization.

Submit amended pages under cover of return airtel.

(Do not type below this line.)

156-20-17

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 14 1972	
FBI - ST. LOUIS	

7000

St. Louis, Missouri

October 16, 1972

IRVIN JULIUS KAHN;
MORRIS A. SHENKER, also known as
Morrie Shenker,
Mo Shenker;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUNDS
ST. LOUIS, MISSOURI
WELFARE AND PENSION
PLAN DISCLOSURE ACT

Morris A. Shenker is a nationally known attorney from St. Louis, Missouri who recently appeared before the U. S. Supreme Court in behalf of Pipefitters Union Local 562, St. Louis, Missouri, during that union's appeal concerning the alleged misuse of union funds for political purposes. Additionally, Shenker has represented former Teamsters Union President James Hoffa in various Federal Court proceedings.

Irvin Julius Kahn, a former attorney, is a prominent real estate developer in San Diego, California. Several years ago Kahn was rescued from near bankruptcy by several multi-million dollar loans from the Teamsters Union, Central States - Southeast and Southwest Areas Pension Fund, which is based in Chicago, Illinois. Kahn has been good friends with Morris Shenker for several years and they have been partners in several business ventures.

PROPERTY OF FBI

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency; nor duplicated within your agency.

4 - Bureau
① - St. Louis (156-20)
TRP:jet/mv
(5)

*Strike Force
sent amended copy
J LHM
10-16-72
P*

156-20-18
SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

10/16/72

AIRTEL

AIRMAIL

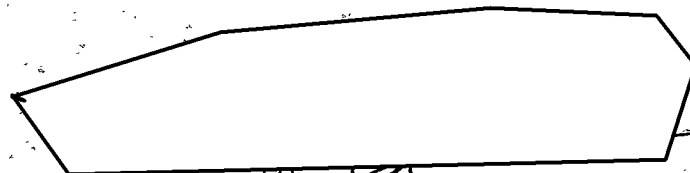
TO: ACTING DIRECTOR, FBI
FROM: SAC, ST. LOUIS (156-20) P
RE: IRVIN JULIUS KAHN;
MORRIS A. SHENKER, aka;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUNDS,
ST. LOUIS, MISSOURI
WPPDA
OO: SL

Re Bureau airtel dated 10/12/72.

Enclosed for the Bureau is an original and three copies of an amended page one for the LHM submitted to the Bureau with St. Louis airtel dated 10/4/72.

St. Louis copy of the LHM has been amended accordingly.

2 - Bureau (Enc. 4)
② - St. Louis
TRP:mv
(4) *mv*



156-20-19 *SC*

SEARCHED
SERIALIZED *dem*
INDEXED
FILED *glv*

156-20-20

b6
b7c

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 18 1972	
FBI - ST. LOUIS	

"American National is like motherhood and God."

But last December the SEC brought suit against Continental Connector, charging the company with using "false and misleading" information in proxy statements involving the acquisition of the Dunes and a second Las Vegas casino, the Golden Nugget.

Then, in quick succession, the American Exchange suspended trading in Continental stock (which had tripled in price on the strength of American National's involvement); stockholders outside the "Dunes crowd" brought suit against the company for stock manipulation; the Golden Nugget merger fell through; a federal court enjoined Continental from "violating federal securities law" and ordered an independent audit.

To top it off experts looking into the Dunes operation came up with evidence they believe points to "skimming" at the casino involving more than \$10 million in unreported income for 1966 and 1967.

Buoyed by all this, one government source predicted: "Continental Connector may turn out to be the chink we've been looking for in Morris Shenker's armor."

He may have been overly optimistic. Back home in St. Louis, Mayor Cervantes' crime commission chairman is operating with his old verve. At the corner of 12th and Olive downtown, an 18-story office building is going up right now. One owner is Morris Shenker. Another is [redacted] lawyer and trustee for Mayor Cervantes. The \$11.5 million financing comes from Shenker's favorite insurance company, American National. The tenant for whom the building is being built is the United States government.

OCT 18 1967	
RECEIVED	FILED
RECEIVED	FILED

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/17/72

[redacted]
[redacted] supplied the following information:

He is employed by the Pinefitters Union Local
562 as the [redacted]
[redacted]

He recalls that while LAWRENCE CALLANAN was alive and in control of the union, CALLANAN and MORRIS SHENKER, the attorney, came up to the recreational complex together on numerous occasions. During these visits, it appeared that CALLANAN seemed to rely on SHENKER's legal advice on any major problem facing the union.

Interviewed on 10/16/72 at St. Louis, Missouri File # SL 156-20-21
by SA [redacted] TRP:vlm Date dictated 10/16/72

5/21/70
by DELMY WALSH

Late last month the U.S. government activated a special strike force of agents from half a dozen federal law enforcement agencies to do battle with organized crime in the city of St. Louis. The government's move came as a surprise to many St. Louisians who have been assured by their popular second-term mayor A. J. Cervantes that there is no organized crime in their city.

The mayor admits there are other kinds of crime in St. Louis. In fact last fall he launched his own fight against crime as part of a broad "Challenge of the '70s" program of civic improvement. In January he appointed one of the city's leading citizens, Attorney Morris Shenker, to head a newly formed Commission on Crime and Law Enforcement.

In announcing the appointment, the mayor said, "I can think of no individual more uniquely qualified to head the crime [drive] than Morris Shenker." In accepting, Shenker said, "The problem of crime in our community is perhaps the greatest challenge before us. We know there are no easy cures."

But the kind of crime Cervantes and Shenker were talking about was street and ghetto crime, and the criminals were the "muggers, thugs and troublemakers," to use Cervantes' words, that make citizens "afraid to walk our streets."

What neither man mentioned was *organized* crime and the criminals who wear white collars and business suits. That kind of crime—and the hypocrisy with which some public officials treat it—has repeatedly been cited by investigating commissions as a root cause of the attitude that leads to lawlessness and violence on the streets.

That kind of crime flourishes in St. Louis. The members of the President's Crime Commission said so in 1967. Law enforcement officers and many businessmen trying to do legitimate business there know it. The mayor and his crime commissioner know it too.

LIFE's year-long investigation shows that Mayor Cervantes himself has business and personal ties with the gangsters that operate in his city. Any real drive against organized crime in St. Louis could start with a number of the mayor's own associates.

Morris Shenker, the new crime commissioner, is the foremost lawyer for the Mob in the U.S. His relations with some of the nation's top hoodlums, LIFE's investigation shows, go far beyond mere legal representation. He is a brilliant organizer of labyrinthine business and financial schemes which dazzle and befuddle the government. Shenker, in fact, would have to do little more than tell what he already knows about organized crime to go a long way toward breaking its back in St. Louis and several other places as well.

CONTINUED

The man closest to the Mayor is the confidant —and son-in-law— of a Mob boss

First, the mayor. At 49, Alfonso Juan Cervantes is a "natural" politician—ebullient, charming, a booster with a certain show biz flair. He came up through the Democratic party ranks: 10 years an alderman and four years as president of the board of aldermen before being elected mayor in 1965. He was re-elected handily last year and is considered a prime prospect to run for governor of Missouri in 1972.

The man closest to Cervantes, as friend, business associate, campaign manager and unofficial but forceful influence around city hall, is Tony Sansone. A wealthy and socially prominent real estate and insurance man, Sansone is also the mayor's liaison with the two mobs that run the St. Louis underworld. Sansone is, to begin with, the son-in-law of Jimmy Michaels, a notorious gunman and gang leader whose record goes back to the shooting wars of the '20s in St. Louis. Michaels runs the Syrian Mob, an ethnic gang that coexists these days as an "ally by treaty" with the Sicilian Mafia family in St. Louis, headed by Anthony Giardano. Michaels' general franchise is the gambling and bookie operations in south St. Louis. He is also the most effective entrepreneur in either mob in politics and legitimate business.

Through Sansone, Cervantes has sought and received the counsel of this powerful gang leader. In December 1964, just two days after Cervantes declared his candidacy for mayor, he met with Sansone and Michaels to plan campaign strategy. The meeting took place in the offices of Rite Way Cigarette Sales, a Mob-controlled vending machine firm, incorporated, incidentally, by Attorney Morris Shenker.

The following March, after Cervantes had won the primary, Sansone met again with Michaels at Rite Way to talk over Cervantes' prospects for the general election. This time Giardano, the Mafia boss, sat in too.

A. J. Cervantes was already a wealthy man when he became mayor. So wide-ranging were his business holdings in insurance, real estate, banking, liquor bonds and a taxi company that political opponents made "conflicts of interest" a campaign issue. Once elected he an-

new interest in it and resigning the offices he held in those businesses. As trustees, Cervantes named the Lindell Trust Company, of which he had been a stockholder and director, and his own attorney, Jack Murphy, a former law associate of Morris Shenker. One holding not included in the mayor's trust arrangement was the Consolidated Service Car Company, which Cervantes and Sansone had organized in 1951 to provide jitney cab service between the predominantly black residential neighborhoods of northwest St. Louis and the downtown area. Seven months after Cervantes took office, Bi-State Development Agency, a private company that operates the municipal transit system, announced that it would buy out Consolidated Service Car for \$625,000. Since no real property was involved, the only value to Bi-State in the transaction was the assurance that they were eliminating present and future competition. Now, public transportation in St. Louis is regulated by the Board of Public Service, which consists of a president appointed by the mayor and six city department heads who are in his cabinet. Tony Sansone agreed to help Bi-State get this board to approve the cancellation of Consolidated's service. It did. Later, testifying in a civil suit brought by drivers who lost their jobs when Consolidated folded, Mayor Cervantes was asked if he had discussed the board's decision with Sansone or any member of the board before the board okayed the can-

Bi-State also needed assurance about future competitive routes. A company spokesman said at the time: "I'm sure the city will cooperate and it won't happen." It hasn't.

Was Cervantes flouting Missouri's conflict of interest law? The mayor says no. He has said publicly that he sold his 40% interest in Consolidated to his partner Sansone for \$125,000 in a "straight cash" deal eight days after he took office in April 1965—before the trust was set up. But had he?

An Internal Revenue Service investigation turned up a check from Sansone dated April 28 and canceled stock certificates and corporate minutes that showed Cervantes had sold his shares that day.

Sansone's check, however, had been written on an account with insufficient funds. Cervantes held it until Dec. 24—more than a month after the sales agreement with Bi-State and more than eight months after he took office. On that Christmas Eve Sansone borrowed \$125,000 from Lindell Trust. The loan was secured by a certificate of deposit for \$125,000 purchased the same day by Cervantes with Sansone's original check.

A federal investigator later described this as "a paper transaction, designed to substantiate the appearance of a money flow."

The mayor will, of course, get his \$125,000 as Sansone pays off his loan. The loan is being paid from the same checking account into which Bi-State makes its monthly pay-

ments for the purchase of Consolidated.

Cervantes' lawyer Jack Murphy later acknowledged to IRS that after the Bi-State sale agreement, he had reconstructed Consolidated's stock record book because Sansone told him the originals were lost.

Another holding that Cervantes said he'd disposed of—and thus didn't put into the trust—was the Continental office building, a 23-story structure of which he was a part owner along with, yes, Morris Shenker, and Shenker's brother-in-law.

Between the primary and general election Cervantes announced he had sold his 30% share in the building to Shenker's brother-in-law, Harold Koplar. A year later, however,

when a matter of \$43,000 in unpaid real estate taxes on the building was uncovered, the mayor was still listed as an owner of record.

Cervantes then explained that he had agreed in principle to sell his interest in the building before the election but with the understanding that title would not be transferred for three years, until 1968. Was he paid? Not directly, said the mayor. Because the building was operating at a loss, he chose, he said, to take the potential tax write-off on the building for three years in lieu of cash. He could only do this by remaining as a listed owner. (Shenker and Koplar paid the back taxes.)

During his first year in office Cervantes voted, as a member of the three-man Board of Es-

timate and Apportionment, to approve a lease agreement between the city and the Premier Service Corporation to provide exclusive limousine service between the St. Louis airport and hotels and motels in the metropolitan area. Premier is owned by the mayor's ubiquitous colleague, Tony Sansone. The lease required the company to take out liability and property damage insurance on its limousines. That insurance is brokered by the mayor's insurance firm, Cervantes and Associates. Cervantes' trustee and lawyer, Jack Murphy, is a director of both the insurance company and the limousine company. Along with Murphy on the board of Premier are Sansone and his wife Mary Ann, Jimmy Michaels' daughter. The company payroll has included employees who are part of the Mob or close to it.

Another early move by the mayor was to appoint Tony Sansone's brother Joseph as city assessor, which at least once enabled Tony, when pursuing a real estate deal, to introduce "my brother, the assessor." Both Tony and Joseph are licensed insurance brokers with Cervantes and Associates. Indeed, mobster Jimmy Michaels himself wrote insurance through Cervantes' firm until 1962 when a new law authorized the state to refuse a brokerage license to anyone who had been convicted of a felony. That supposedly finished Michaels' insur-

Jimmy Michaels, boss of the Syrian Mob, rushed the hapless photographer who took this picture in 1959.

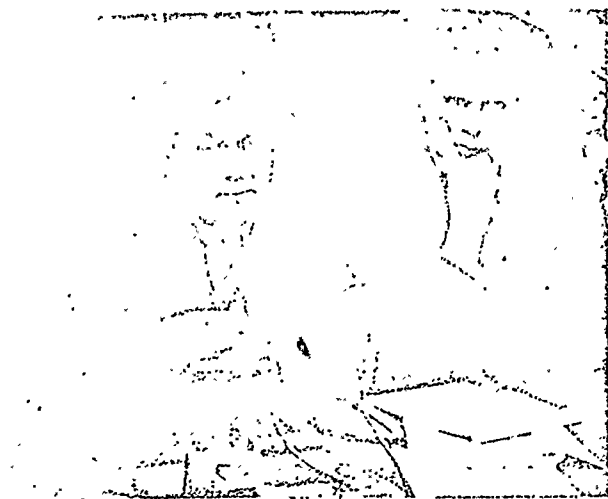
ance career, although he was, by all accounts, a persuasive salesman while it lasted.

Tony Sansone, with his unquestioned clout at city hall, can be a persuasive salesman himself. In 1966, for example, a New York warehousing firm named D. H. Overmyer sent its general counsel to St. Louis to try to iron out a problem with the city fire marshal at one of the company's local warehouses. At the time, Overmyer was in a \$16 million expansion program in the St. Louis area. One of Overmyer's St. Louis attorneys felt that Sansone's lawyer, Jerome Bollato, might be able to help with the fire marshal problem. When the Overmyer lawyers arrived at Bollato's office, Sansone was there too. Yes, Bollato would help solve the problem for a fee. Sansone would help too. He asked for Overmyer's exclusive real estate and insurance business in the St. Louis area. Overmyer eventually paid Bollato but declined Sansone's request. Sansone then tried another tack. The city would padlock the warehouse, he warned, unless the company supplied documentation of insurance on it.

Actually, Overmyer was in no trouble on that score. The city has never required this easily obtained certificate. Even if it had, Sansone, with no official position in the government, had no authority to issue such a warning.

The facts in the Overmyer case were presented to a federal grand jury under the Hobbs Act which prohibits interference with interstate commerce through extortion. No indictment was handed up but the government is now taking another look at the case. Meanwhile, Bollato, associate of mobsters and participant in the Overmyer affair, has been appointed by Cervantes to the St. Louis Land

CONTINUED



Shenker represented Gambler Sidney Wyman at Kefauver hearings. Now they are partners in the Dunes.

CONTINUED

Clearance for Redevelopment Authority.

Although Cervantes has a steady liaison with the St. Louis underworld through Sansone, he has been fairly discreet about fraternizing personally with top-level hoodlums. One exception was a gathering at Sansone's home following the funeral of Jimmy Michaels' wife in 1967. In attendance were the royalty of organized crime in St. Louis: Mafia boss Tony Giardano, his underboss John Vitale, Buster Wortman of East St. Louis, Mafia lieutenant Shorty Caleca and a dozen others. Also there, helping his friend Sansone tend bar for the guests, was the mayor.

Such social contacts might be overlooked as being part of a politician's job—or winked at by those St. Louisians who enjoy having "a touch of Jimmy Walker" in their mayor. That benign view, however, doesn't take into account items such as Cervantes' involvement with at least one firm doing business with the mob. Mound City Tobacco is the successor to a wholesale tobacco firm named Brown & Sons which was run by a local political figure, Robert ("Bobby") Brown—until the night of Jan. 24, 1956 when Brown was found shot to death in an alley near his home.

A few days after Brown's death the business manager of Brown & Sons, James Holland, borrowed \$60,000—from Cervantes, then an alderman, and his attorney, Jack Murphy—to buy out the company's inventory. Cervantes became vice president and part owner of the successor firm, Mound City. While Cervantes was vice president, Mound City supplied cigarettes to vending companies, which were known to authorities, both before and after the Brown murder investigation, as being controlled by Giardano, Wortman and their mob associates.

In 1963, when Mafia boss Giardano needed cash to pay a federal income tax delinquency on which he previously had served time in prison, he was granted a loan by Lindell Trust. The loan was secured by the savings account passbook of James Holland, Cervantes' partner in Mound City. Cervantes was a director of Lindell Trust at the time. Giardano's at-

Shenker: a brilliant career spent defending hoods and confounding the government



Betting "commissioner" Jimmy Carroll walked out of the televised Kefauver hearings on Shenker's advice.



Shenker represented John Vitale in 1952 and often thereafter, until Vitale decided Shenker had crossed him.

torney in the tax case: Morris Shenker.

So we come again to the man supposed to be in the forefront of Mayor Cervantes' fight against crime, the crime commission chairman. At one level Morris Shenker is the American Dream come true: the poor immigrant lad who rose to become one of the truly brilliant lawyers of his time, honored by his profession, respected in his community, a philanthropist and fund-raiser for humane causes. His role as a co-founder of Dismas House, the celebrated rehabilitation center for ex-convicts, was featured in the movie *The Hoodlum Priest*. He is one of the country's leading fund-raisers for Israel and when the American Bar Association convenes in St. Louis next August, the official host of the criminal-law section will be Crime Commission Chairman Morris Shenker.

Shenker is a power in the Democratic party, an acquaintance of Presidents. Though rich—many millions over, he is still, at 63, so dedicated to hard work that he sometimes puts in an 80-hour week and sleeps on his office cot rather than go home to his estate in the suburbs or to his elegant suite at the Chase-Park Plaza Hotel, of which he is part owner.

At another level Morris Shenker has been the mouthpiece for scores of notorious mobsters, gamblers and union bosses. His involvement in business with some of them has gone several profitable steps beyond mere legal representation. He is a manipulator of public officials, arranger of hundreds of millions of dollars in union pension fund loans, and champion confounder of the Internal Revenue Service which frankly, if informally, considers him its Number One Tormentor.

Shenker is perhaps most resourceful as the creator of exquisitely complicated business schemes which, like fine lace, defy unraveling. In one instance, he used the prestige and lending power of a billion-dollar insurance company, American National of Galveston, Texas, to enrich a select few, including the two top officers of the company and Shenker himself. A complete understanding of this remarkable man's operations is frustratingly hard to come by, as dozens of federal accountants and law-enforcement agents can attest. In his long battle of wits with Internal Revenue, for instance—though cases he has handled have sometimes been tainted with suspicions of "fix"—Shenker, so far, is clearly the victor.

For the past four years IRS has had a team of auditors and agents trying to decipher Shenker's personal financial manipulations. But to little avail. Each year, it seems, as his income goes up, his taxes go down. He is, as one of his associates once said in tribute, "The only man I've ever seen who can thoroughly confuse Internal Revenue."

Shenker arrived in St. Louis in 1922, a 15-year-old Russian Jewish immigrant able to speak only a few words of English. He worked his way through Washington University law school there and went into practice in 1932. Over the next two decades he compiled an amazing record as a defense attorney, winning acquittals for roughly four out of five of his clients. Of the convictions that he appealed and

that reached the Missouri Supreme Court, only two were sustained.

Shenker attracted national notice during the Kefauver committee hearings of the early 1950s, when he represented more clients among the celebrated gambler witnesses than any other attorney. The gamblers chose wisely. Shenker had prepared a voluminous memorandum on self-incrimination and was prepared to battle the slightest infringement of his clients' constitutional rights. More than 70 other law firms whose clients were called by Kefauver requested copies of Shenker's memorandum.

Shenker, however, is more cynic than civil libertarian. He once said, "I never ask a client whether he is guilty, only how much the authorities know." His clients have included St. Louis Mafia leaders like Anthony Giardano and John Vitale and union bosses like James Hoffa of the Teamsters and convicted labor racketeer Lawrence Callanan of the St. Louis Steamfitters.

As Shenker's career as a criminal lawyer prospered, so did his influence in the Democratic party. He first campaigned for Al Smith

talent in politics has been as a fund raiser.

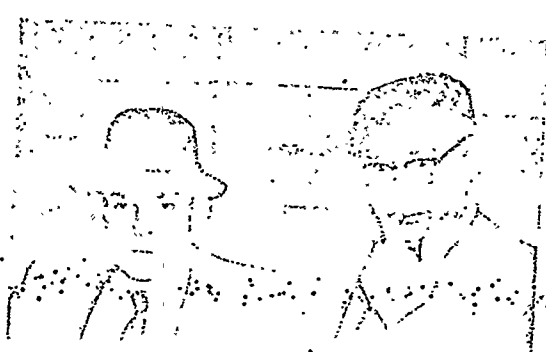
In recent years a prolific source of cash for favored political candidates has been St. Louis Steamfitter Local 562 (LIFE, July 26, 1968). The money was raised by "voluntary" donations by members to a fund Shenker created—voluntary meaning give or you don't work. And Shenker has often advised the union on which candidates to help and how much.

Shenker has been one of James Hoffa's lawyers since 1962, and his chief counsel since 1966. For Shenker, Hoffa has been the key to a \$700 million treasure trove: the Central States, Southeast and Southwest Areas Pension Fund of the Teamsters Union. Except for being Hoffa's lawyer, Shenker has no official connection with the Teamsters. Nevertheless, he has been calling shots for the pension fund for years.

Government agents trace a growth of Shenker's influence over the fund to early 1964, when pressure from within the Teamsters ended the practice of paying Hoffa's legal expenses from the union treasury. Up to that point it is estimated the union had spent \$1 million or more—part of it on Shenker's fees—to defend the boss against charges of labor racketeering and jury tampering.

The cutoff didn't hurt Shenker's income. As the Number One arranger of pension fund loans since 1964, he has been able to collect massive fees from borrowers and potential borrowers. The suspicion persists that this lucrative practice is at least partial payment for his continuing to represent Hoffa.

In San Diego county alone, Shenker has been instrumental in arranging tens of millions in Teamster loans in the past decade. The Teamsters are also in Las Vegas with millions.



Buster Workman - forced a new
graying Shenker to help keep him out
of prison, so he cooled off Vitale

in 1928. For 15 years following the downfall of the Pendergast machine in the late 1930s, an organization headed by Shenker and the late, Hopps Callanan (brother of the Steamfitters' Lawrence) dominated politics in Missouri. The term "Shenkerism," implying gangster influence in politics, came into currency.

Shenker has regularly been a delegate to Democratic national conventions and in 1964 coordinated the successful Johnson-Humphrey campaign in Missouri. But his chief

Attorney Shenker didn't mind being photographed outside court in 1958, but Mafia client Shorty Caloca did.

At the 1961 premiere of *The Hoodlum Priest*, Shenker called on Teamster President Jimmy Hoffa to take a bow.

in loans, some of them arranged by Shenker.

An example of how Shenker's influence works: In March 1961 the owners of the New Yorker Hotel in Manhattan applied directly to the pension fund for a loan. A Teamster appraiser recommended that, based on the fair market value of the hotel, the loan should not exceed \$10.6 million. But in June, Shenker appeared at a meeting of the pension fund trustees as attorney for the hotel. Hoffa asked that the meeting go into executive session—i.e., no minutes were kept. The trustees then voted a loan of \$13.5 million, almost \$3 million more than their appraiser recommended.

Later the hotel had second thoughts and the loan wasn't made. But Shenker got his attorney's fee anyway.

That same month, Shenker represented two Kansas City motel and insurance executives in obtaining a Teamster loan of \$1.8 million. The money was to be used in a plan that would increase the earnings of four insurance companies the two executives controlled. The loan was approved on Hoffa's motion. But in short order one company was declared insolvent and placed in receivership and the others had their licenses revoked. Shenker's fee was \$54,000.

For a fee of \$180,000 in 1965 Shenker represented American Motor Inns in arranging a \$6 million Teamster loan. In 1963, wearing his good-causes hat, Shenker persuaded the Teamsters to invest \$1 million in Israel Bonds. And the list goes on. In 1965 Shenker and his brother-in-law acquired control of Royale Investment Company, which owns a very valuable chunk of St. Louis real estate that includes the Ambassador Hotel. Four years before, Royale had borrowed \$1 million from the Central States Fund at 6% interest. Thus Shenker became a beneficiary of an attractive Teamster loan that still had 15 years to run.

Some pension fund borrowers feared they

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might be cut off from further Teamster credit if Hoffa went to prison. One such group, the developers of the huge LaCosta spa near San Diego—who included Morris (Moe) Dalitz and several other members of the notorious old "Cleveland Mob"—went to Shenker with the problem. To calm them, Shenker turned to his other big money source, American National. The insurance company issued a letter, known as a "takeout commitment," guaranteeing up to \$17 million in loans any lending institution might make to LaCosta beyond the Teamster investment.

Such maneuvers were unnecessary. Teamster money continued to flow to LaCosta even after Hoffa went to prison in 1967. Shenker's own influence on the pension fund actually increased with the boss away. This has created a paradoxical situation, for Shenker is meanwhile handling client Hoffa's appeal to get out of prison—and presumably back in direct control of the fund.

For a time Shenker had a well-placed ally in his efforts to keep Hoffa out of jail and to get him out once he went in. In 1967 LIFE charged U.S. Senator Ed Long of Missouri with misusing the powers of his Senate subcommittee to help Hoffa. Shenker and Long had "grown up" together in Missouri politics and it was Shenker's law firm that paid the senator a total of \$127,500 between 1960 and 1966. When LIFE disclosed the payments, Shenker contended the money came from "shared clients" though the examples he cited all were subsequently identified as essentially Shenker's. Long was defeated for re-election in the 1968 Democratic primary.

In 1960 Shenker acted as intermediary in helping a prison buddy of Mob Underboss Vitale open a bakery in north St. Louis with underworld money. The authorities soon suspected the bakery was a Vitale handhook—he was paying for the three busy phones in the place and one of his girl friends worked there. When police and federal agents appeared ready to close in, the backers shut down the bakery.

Not all of Shenker's deals have turned out profitably and, given the kind of people he deals with, misfires can be personally dangerous. In 1963 Shenker and a partner with Mafia connections—Stephen Lunetta—put together a plan to develop a retail discount center to be patronized by union members in St. Louis. The Teamsters committed a loan of \$2.5 million to the project. The Mob also invested. But the deal turned sour, the Teamsters pulled out, and the Mob and most of the investors lost their money. Shenker indirectly lost little or nothing. When the company that agreed to buy the discount center's assets at distress rates turned out to be represented by Max Lubin, an old friend of Shenker's, the Mob's anger became fury.

In late 1964 a series of scare bombings was aimed at people involved in the discount cen-

A whirl of paper leads to the control of a plush casino in Las Vegas

ter affair, including Lubin. A year later, John Vitale, the Mafia's St. Louis underboss, went to Chicago to complain to Hoffa about Shenker's "underhanded" performance and to try to recover the Mob's losses. Hoffa refused to intercede. The crisis reached its climax when Vitale let it be known that he had decided to put out a murder contract on Shenker.

How serious Vitale was, or whether he *could* have had the attorney killed, is debatable—a contract on so important a person would have required the sanction at least of St. Louis Mafia boss Anthony Giardano if not the national Cosa Nostra "commission." In any case, at least one top mobster felt he had too much riding on Shenker's health to take a chance. Buster Wortman, the East St. Louis boss, was facing retrial on a federal tax case that could send him to prison for five years. Old and ill, Wortman believed that only one man, his attorney Morris Shenker, could save him from dying behind bars. Federal authorities give Wortman credit for squelching whatever harsh plans Vitale had. Among the arguments Wortman used was that the Mob's debt to Shenker—he had defended so many of them, including Vitale—was deeper than its obligation to avenge one wrong.

When Wortman came to trial, Shenker won his acquittal. Wortman lived two more years a free man, and when he died in 1968 Shenker was among the mourners.

Shenker's indispensability to Wortman is one example of the attribute that more than any other infuriates the federal agents who follow in his paper-strewn wake: his skill at keeping people accused of tax evasion out of jail. In 1951 a federal grand jury investigated the influence exerted by some lawyers and politicians to drop prosecutions of certain suspected tax evaders. The jury returned indictments in four of Shenker's cases which had been closed with no criminal prosecution.

When James Finnegan was Internal Revenue collector for St. Louis in 1949 one of his deputies was sent to Shenker's office to sign an agreement, later labeled unlawful in federal court, which said in effect that consideration of criminal prosecution against one of Shenker's clients was foreclosed. Three years later Finnegan was charged, found guilty and ultimately jailed for misconduct in office in a different matter. Shenker was his defense attorney.

In 1947 Shenker was discussing the details

of a possible criminal tax case against two of his gambler clients with a top IRS official when the IRS man mentioned a personal problem. He was having a hard time getting a new car. Through friends in St. Louis, Shenker bought a car and transferred title to the IRS man, who later insisted that he reimbursed Shenker—in cash. The criminal prosecution of Shenker's clients never materialized.

In recent years Shenker has increasingly turned his tax skills to his own affairs, with astonishing results. Records show that while his income from legal fees and dividends has increased handsomely since 1960, his taxable income has grown smaller. From 1960 to 1966, Shenker's annual gross income rose from \$153,000 to \$208,000. In the same period his declared taxable income went from \$90,000 to zero. He paid \$42,000 in taxes in 1960 and \$1,000 (as a token) in 1966.

To achieve zero taxable income in 1966, Shenker claimed large losses on business ventures ranging from an office building in San Diego to a sand-and-gravel company in Dallas, and an industrial park in Pocatello, Idaho.

The government's audit of Shenker's affairs only rarely turns up anything challengeable. When it does, the sidelights are fascinating. In 1967, IRS levied an assessment against Shenker contending that a corporation, defunct by then, in which Shenker and two other men had been partners had not paid federal tax on \$78,664 of rental income from 1953 to 1965 on a building the corporation owned in St. Louis. One of Shenker's partners, it turned out, was the U.S. attorney for the Eastern District of Missouri from 1963-65, who during those years would have been responsible for prosecuting the case if there had been one.

It also developed that the lessee of the building was a building materials supply firm known as Veneers, Inc. An earlier federal investigation had established that Veneers was run by two cronies of Mobster Jimmy Michaels. There was evidence indicating that Veneers was being used as a conduit for moving Mob money in payoffs to policemen and politicians. Though the coincidence aroused government curiosity, there was no evidence that Shenker was more than a landlord.

In 1968 the government named Shenker as an intended beneficiary when it brought charges against a number of people in an elaborate insurance kickback scheme, but they failed to make it stick. A few years earlier the St. Louis Steamfitters' union had suddenly begun doing a lot of business with an obscure Indiana insurance company named First United Life. Two of Shenker's business associates turned up as agents for First United and started collecting commissions and allowances in connection with the sale of insurance to the union.

It developed that just before the union switched its insurance to First United, a group including one of the agents and Shenker's accountant had secured options from First United on some 90,000 shares of the company's

stock— at \$4 a share below market price. Taken together, the potential profits on the stock options, the commissions and the allowances added up to more than \$1 million.

The government investigated and brought charges of "conspiracy to kick back." Two witnesses testified that Shenker had to be cut in "for 10% of everything or the deal wouldn't go through." (Shenker admitted owning some First United stock but said he had bought it "over the counter.")

A federal grand jury indicted several people including the president of First United and a Steamfitter official. Shenker was named only in a bill of particulars. Before the trial one of the key participants, Jack Hough, who had received both allowances and stock, agreed to talk. But before he could, Hough was found murdered in Florida. Then two other key witnesses, including Shenker's accountant, backed out, and when the case finally came to trial last year, all defendants were acquitted.

Still trying, the government just last month managed to indict the secretary-treasurer of First United for perjuring himself in the 1969 trial.

In 1964 Shenker tried to expand his operations to the Dominican Republic. His associates were much the same group that was involved in First United. In the company of two officials of the Steamfitters' union, Shenker visited the island to look over a possible purchase: the Hispanola Hotel and its Theatre of Lights, gambling casino. The Mafia family in Kansas City was lined up to operate the casino. There were other deals abrewing, involving oil concessions and the sale of life insurance policies (by First United) to cover military and government employees. A payoff of \$50,000 was made for the oil concession alone. But the political turmoil that plagued the Dominican Republic during this period eventually convinced Shenker's group that it was a bad time to invest, and most of the deals never were consummated.

One comparatively small one was completed: the resale of about \$6,000 worth of office furniture to the Dominican government for some \$14,000. Again payoffs greased the way.

One party to the furniture deal later told government investigators that it had been discussed with Shenker in Shenker's St. Louis law office and that capital for the office equipment deal was wired to a bank account in Nassau by Shenker's accountant.

Shenker is the guiding genius behind one 13-year sequence of corporate manipulations which is currently under intensive investigation

by the Securities and Exchange Commission. Involved with him were a seemingly disparate group of partners. Among them: Sidney Wyman and Kewpie Rich, two of the biggest Mob gamblers in the U.S.; the two top officers of American National Insurance Company, and the board chairman of the Bank of Las Vegas.

In a whirl of fancy fiscal maneuvers using a series of "cardboard" companies and the enormous lending power of American National, this group wound up owning the Dunes Hotel and Casino, one of Las Vegas' plushiest and most profitable enterprises. They then used \$5 million in profits from the Dunes to buy control of a publicly held New York company, Continental Connector Corporation. This time Shenker came in as part owner.

Shenker then arranged for Continental to acquire the Dunes through merger and to assume some \$15 million in debts the Dunes owed, conveniently, to American National and the Bank of Las Vegas.

Three years ago the government started to investigate American National Insurance. Its president, Rollins Furbush, and its board chairman, William Vogler, had by then become part owners of a Las Vegas casino without putting up a dime of their own while the company they ran had spent or loaned more than \$9 million to make their good fortune possible.

Shenker appeared in Houston and advised the IRS office there that Vogler and Furbush were his clients, and at about that point that end of the inquiry sputtered out. In Texas, one frustrated investigator complained,

Cervantes and Shenker are not often photographed together. Here Shenker looks on as the mayor gets an award for a 1969 fact-finding trip to Israel.

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST LOUIS (156-20)

DATE: 10/27/72

FROM : SAC, SACRAMENTO (92-645) (P)

SUBJECT: MORRIS A. SHENKER;
IRVIN JULIUS KAHN
Pipefitters Union Local 562
Welfare and Pension Fund
WPPDA
OO: St Louis

Re St Louis airtel to Honolulu, dated 10/6/72.

Enclosed herewith for St Louis is certified copy of articles of incorporation of Murietta Hot Springs.

The following investigation was conducted by
SC [REDACTED]

AT SACRAMENTO, CALIFORNIA

On 9/28/72, [REDACTED]
[REDACTED] Office of the Secretary of State of California
furnished the attached certified copy of Articles of
Incorporation of Murietta Hot Springs certificate
#582257 filed 10/8/69 and Certificate of Amendment of
Article of Incorporation of Murietta Hot Springs filed
10/23/69.

Information requested from Alcoholic Beverage
Control Commission is being obtained and results will
be furnished when available.

- ② - St. Louis (Enc. 1)
2 - New Orleans
2 - Sacramento
MJM:gs
(6)

156-20-22

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 30 1972	
ST LOUIS	



FEDERAL BUREAU OF INVESTIGATION

10/31/72

Date of transcription

[redacted] Vittert Construction Company, 408 Olive Street, St. Louis, Missouri, supplied the following information:

Room 811 situated at 408 Olive Street is currently rented by the law firm of MORRIS A. SHENKER. This room actually consists of several rooms, but none of them are actually a part of SHENKER's law office itself. [redacted] stated that he has no idea what SHENKER is using Room 811 for.

During this interview, [redacted] checked his rental records and advised that the earliest documentation he is able to locate pertaining to SHENKER's rental of Room 811 is dated August 15, 1968, which is a notation that the rental on that room was raised \$75.

[redacted] advised further that until July 7, 1970, his office billed [redacted] quarterly for the rental of Room 811. [redacted] is a member of SHENKER's law firm, and for this reason the rental bill was sent to Room 802, which is SHENKER's law office.

Since August 1, 1970, one half of this quarterly bill - \$112.50 - has been added to the regular rental bill for SHENKER's own law offices. The remaining half of the rental bill is still billed to [redacted] on a quarterly basis in care of SHENKER's law office.

[redacted] testified that no formal rental agreement has ever been executed regarding Room 811, and he does not recall who, from SHENKER's firm, originally requested the additional space.

[redacted] recalled that some of the payments pertaining to the amount of the room rent billed to [redacted] were made in the form of checks from the Pipefitters Union Local 562, located in St. Louis.

Interviewed on 10/27/72 at St. Louis, Missouri File # SL 156-20-23
by SA [redacted] prk Date dictated 10/30/72

SL 156-20

[] declined to provide photostat copies of his records pertaining to the rental of Room 811, but he was advised of the fact that any such records would possibly be considered as evidence and that it may be necessary to produce them in court at a later date. Additionally, he was advised that he should safeguard such records because of their possible evidentiary value in order to protect them from alteration or destruction. He stated that he would do so.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription **10/31/72**

[redacted]
[redacted]
[redacted] were made available for review by
Special Attorney [redacted] of the St. Louis Or-
ganized Crime Strike Force. [redacted] stated that these
[redacted] had been produced before a Federal Grand Jury
at St. Louis in response to a subpoena duces tecum served
upon [redacted]

A review of these [redacted] revealed that the
[redacted]

b3
b6
b7C

Interviewed on **10/27/72** at **St. Louis, Missouri** File # **SL 156-20-24**
by SA **[redacted]** :prk Date dictated **10/30/72**

b6
b7C

11/8/72

AIRTEL

AIRMAIL

TO: SAC, LOS ANGELES
FROM: SAC, ST. LOUIS (156-20) P
RE: MORRIS A. SHENKER, aka
Morrie Shenker
Moe Shenker;
IRVIN JULIUS KAHN
dba Marietta Hot Springs
San Diego, California;
Pipefitters Union Local 562
Welfare and Pension Fund
St. Louis, Missouri
WPPDA
OO: SL
Bufile: 156-549

Re SL airtel to Honolulu, 10/6/72.

Enclosed for receiving offices is one copy each of:

- (1) Articles of Incorporation for Marietta Hot Springs
- (2) Notice of Transfer of Liquor License for Marietta Hot Springs
- (3) Marietta Hot Springs Stock Certificate #4 issued to MORRIS A. SHENKER
- (4) Marietta Hot Springs Stock Certificate #3 issued to IRVIN JULIUS KAHN
- (5) An lhm setting forth details of instant matter.

2 - Los Angeles (Enc. 5)
2 - San Diego (Enc. 5)
② - St. Louis
TRP:my
(6) (m)

156-20-25
SEARCHED
SERIALIZED
INDEXED
FILED

b6
b7c

SL 156-20

On 10/27/72, the Sacramento Division obtained certified copies of the Articles of Incorporation of Marietta Hot Springs (MHS) which lists IRVIN J. KAHN, [redacted] all of 3010 Cowley Way, San Diego, Calif., as the incorporating officers and first directors of MHS.

St. Louis Strike Force Attorney [redacted] has made available to the St. Louis Division copies of two stock certificates and a liquor license transfer application pertaining to MHS which [redacted] stated had been obtained from the files of the Pipefitters Union Local 562 by U. S. Labor Department officials. A review of these documents indicates that MORRIS A. SHENKER apparently received a half interest in MHS on or about 4/21/70, however, the application to transfer the liquor license for MHS into SHENKER's name was apparently not filed until 9/23/71. This transfer application indicates that SHENKER paid \$50,000 for his half interest in MHS. The transfer application is signed by [redacted] Assistant Vice President of MHS.

A review of [redacted]
[redacted]
[redacted]

b3

[redacted] It is strongly suspected that SHENKER actually received the half interest in MHS as a direct result of his representing that company in obtaining the multi-million dollar loans from the Pipefitters Union. It is further suspected that he and KAHN have conspired to conceal the true manner in which SHENKER received the half interest in MHS.

It is anticipated that extensive investigation will be requested in the near future within both the Los Angeles and San Diego Divisions and in view of this fact all of the above information pertaining to this matter is being made available to both divisions at this time.

SL 156-20

LEADS:

THE LOS ANGELES DIVISION

AT RIVERSIDE COUNTY, CALIFORNIA

(1) Will review the files of the County Records Office regarding Marietta Hot Springs, Marietta, Calif. and attempt to determine the exact date SHENKER became half owner of Marietta Hot Springs.

(2) Will discreetly interview [REDACTED]

[REDACTED] Extreme caution should be used in this interview so as not to alert [REDACTED] to the exact nature of instant investigation.

THE SAN DIEGO DIVISION

AT SAN DIEGO, CALIFORNIA

(1) Will obtain Dunn and Bradstreet reports on IRVIN JULIUS KAHN and Marietta Hot Springs.

(2) Will contact appropriate officials at the San Diego County District Attorney's Office to determine if their agency is in possession of any information regarding KAHN which might be of value in this matter.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/20/72

[redacted] Attorney at Law, [redacted]
[redacted] supplied the following information:

He became associated in law practice with MORRIS A. SHENKER in the mid 1950s. Prior to that time, [redacted]

[redacted] successfully opposed SHENKER in several Federal cases. He was subsequently approached by SHENKER and invited to join SHENKER's law firm and accepted. His prime responsibility while with SHENKER's firm was [redacted]

While working with SHENKER, [redacted] was not a partner in the firm because SHENKER did not want any partners. [redacted] along with several other attorneys including [redacted] worked as employees of SHENKER and received their pay in the form of a straight salary plus occasional bonuses for special cases or Christmas. [redacted] worked at a salary of [redacted] per year. No contracts or other written agreements were signed with SHENKER regarding this legal association and his employment agreement was strictly verbal.

After some time, SHENKER began to relinquish most of his legal practice to the attorneys employed by him. [redacted] felt that he did this because of his increasing involvement in financial matters which appeared to be casting SHENKER into the role of a financier rather than an attorney.

In the mid 1960s, SHENKER developed an interest in the Federal trials involving JAMES HOFFA, former president of the Teamsters Union. SHENKER had no relationship with HOFFA at that time but because of his intense interest in the case began traveling to Tennessee on a regular basis to observe the legal proceedings against HOFFA. [redacted] advised that SHENKER succeeded in "worming his way in" to the HOFFA case and eventually ended up as the primary legal advisor to HOFFA. Further, SHENKER convinced HOFFA to allow him and his firm to handle the appeal procedures for HOFFA's conviction and HOFFA agreed to same. [redacted] advised that

Interviewed on 9/8/72 at St. Louis, Missouri File # SL 156-20-26

by SA [redacted] mv Date dictated 9/14/72

SL 156-20

[REDACTED]
[REDACTED] SHENKER received the acclaim for same. The vast majority of the research and writing of the briefs was done in a small room in the offices of the Teamsters Union Pension and Welfare Fund in Chicago, Illinois. This room was immediately adjacent to the large conference room in which HOFFA and the Trustee of the Pension Fund met and transacted their business and as a result, SHENKER became quite familiar with most of the trustees. The appeals subsequently failed and HOFFA was sent away to prison.

[REDACTED] stated that he has no knowledge of any financial transactions between SHENKER and the Teamsters Union other than the fact that he is certain that all of the loans SHENKER has received from the Pension Fund, or negotiated for the Fund, would not have otherwise been made had SHENKER not had the connection to HOFFA, in conjunction with HOFFA's influence on the Pension Fund Board.

[REDACTED] advised that SHENKER was closely associated for a number of years with LAWRENCE CALLANAN, who was the influential head of the St. Louis Steamfitters Union Local 562. [REDACTED] stated also that there was no doubt in anyone's mind, especially those in the law firm, that SHENKER was the attorney for CALLANAN and the Steamfitters.

[REDACTED] subsequently left SHENKER's law firm because SHENKER would not [REDACTED]

[REDACTED] even though SHENKER really played no part in the case itself.

Shortly after leaving the firm, [REDACTED] was attempting to get his own practice started when he received a telephone call from LAWRENCE CALLANAN asking if he would be interested in assisting the Steamfitters in their Federal difficulties involving alleged misuse of the Union's voluntary funds for political purposes. [REDACTED] advised that SHENKER appeared to be "calling the shots" on the selection of attorneys to assist in this case. It was finally decided that members of SHENKER's firm along with [REDACTED] [REDACTED] would handle the case. SHENKER did

SL 156-20

not publicly involve himself in this matter at the beginning, but allowed [] to represent the law firm. Only upon the subsequent conviction of the Steamfitters and its officers did SHENKER step back into the picture to handle the appeal before the U. S. Supreme Court. []

[] on the case for the Supreme Court, yet SHENKER made the oral arguments. During these oral arguments SHENKER not only represented the Steamfitters Union but also represented CALLANAN, [] and []. There was no splitting up of the representation during the Supreme Court hearings because this was against Supreme Court rules.

[] advised that all of the legal fees he received for representation during this case were from either the Steamfitters Voluntary Fund or the Pension Fund and were not from any of the individuals involved personally. He is certain that SHENKER's fees were probably paid in the same manner as well as being certain that [] probably received all of his fees in the form of salary from SHENKER because this was the normal practice SHENKER followed.

(Mount Clipping in Space Below)

pro state
11/1/72

Two acquitted of tax evasion in casino case

Two former St. Louisans have been acquitted of charges of conspiracy and tax evasion stemming from an alleged skim operation at the Dunes Casino in Las Vegas.

A federal jury deliberated three hours before delivering the verdict late Monday in favor of Sydney Wyman, who 20 years ago was involved in a nationwide betting ring in the St. Louis area, and George Duckworth, stepson of Wyman's partner in the ring.

Wyman was represented during the three-week trial by St. Louis criminal attorney Morris A. Shenker. Shenker also represented Wyman during the U.S. Senate hearings on organized crime in the early 1950s.

In final arguments, defense attorneys questioned the credibility of a New York businessman, George Horvath, who testified Wyman had told him of a \$1.5 million skim operation at the casino.

(Indicate page, name of newspaper, city and state.)

ST. LOUIS
GLOBE-DEMOCRAT

Page 2-A

Date: 11-1-72

Edition:

Author:

Editor:

Title:

Character:

or

Classification:

Submitting Office:

☐ Being Investigated

156-20-27

SEARCHED	INDEXED
SERIALIZED	FILED

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (92-2088)

DATE: 11/14/72

FROM : SAC, LOS ANGELES (92-5211) (RUC)

SUBJECT: MORRIS A. SHENKER, aka
AR
00: St. Louis

Re St. Louis airtel to Las Vegas dated 9/6/72.
St. Louis airtel to Honolulu dated 10/6/72.

The following investigation was conducted by
SA [REDACTED]

AT SAN BERNARDINO, CALIFORNIA

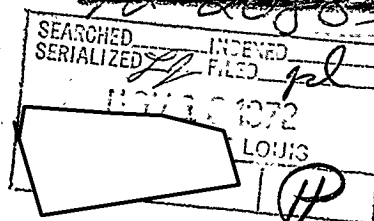
[REDACTED] State of California, Alcohol Beverage Control, Third and Arrowhead Avenue, advised on 10/30/72, that that department had conducted a background inquiry concerning SHENKER when he became a 50% stockholder in the Murietta Hot Springs Spa, Murietta, California. He stated that Murietta Hot Springs is currently owned by SHENKER and IRVING KAHN, a prominent San Diego attorney. [REDACTED] advised that his investigation reflected SHENKER set up the financing for the purchase of Murietta Hot Springs through the Steamfitters Local number 562, St. Louis, Missouri, for KAHN.

[REDACTED] stated that Murietta Hot Springs is operated by organization owned by IRVING J. KAHN and although SHENKER is a 50% stockholder, he is not an officer of the organization or corporation.

[REDACTED] further stated that SHENKER was also a 50% stockholder in a resort located near Escondido and San Diego, California, known as the Las Penacquitas. He added that other 50% of the stock is owned by KAHN.

- ② - St. Louis
- 1 - San Diego (Info)
- 1 - Los Angeles

JEDV/cab
(4)



Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

LA 92-5211

[] stated that a financial statement filed with his department by SHENKER listed his net assets at \$7,620,584.00.

[] stated that the Alcoholic Beverage license for Murietta Hot Springs was in the name of the Murietta Hot Springs Corporation and SHENKER's name or IRVING J. KAHN's name does not appear thereon.

[] stated that the financing for the purchase of Murietta Hot Springs was apparently broken down as follows:

\$4,500,00.00 from Steamfitters Local Number 562, St. Louis, Missouri.

\$3,000,000.00 Valley Bank of Nevada.

\$1,300,000 from []

\$400,000 Great Western Mortgage Company, San Diego, California (subsidiary of Irving J. Kahn organization).

\$300,000 MORRIS A. SHENKER.

\$100,000 by Thrift Credit Corporation of Binghampton, New York.

\$100,000 by SORKIS WEBBE.

[] stated that SHENKER's financial statement reflected ownership in the following companies, firms and/or real estate:

Lomas Palisades Apartments
San Diego, California
50%

Barclary House Limited
St. Louis, Missouri
21.82%

LA 92-5211

Electronics Capital Building
San Diego, California
50%

Pocatella, Idaho Industrial Park
10%

D. F. and Associates
St. Louis, Missouri
2.25%

Gilroy-Simms
St. Louis, Missouri
22 1/2%

Metropolitan Sand and Gravel
Dallas, Texas
100%

Warehouse
(a San Diego corporation)
San Diego, California
100%

Mission Hill Golf and Country Club
Palm Springs, California
50%

Encinal-Garino Property
San Diego, California
100%

Sorrento Property
San Diego, California
276 acres, percentage not listed

Cecil Long Property
San Diego, California
260 acres, percentage not listed

Unimproved Land
San Diego, California
2.92 acres

LA 92-5211

Palm Springs, California Property
9.7 acres

Forman Property
San Diego, California
40 acres

Lake Property (not further identified)
San Diego, California
40 acres

TIT Corporation Property
San Diego, California
178.6 acres

Scavil Property
San Diego, California
20 acres

Shell Property
San Diego, California
(no amount or percentage listed)

Mira Mesa Option.
(no place listed)
147 acres

[] stated that since his inquiry in late 1970 and during 1971, no further investigation or contacts had been made concerning SHENKER or his connection with or association with the Murietta Hot Springs Spa.

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/21/72

[redacted] Business Manager, Pipefitters Union Local 562, 1242 Pierce Street, St. Louis, Missouri, advised that attorney [redacted] of the MORRIS A. SHENKER Law Firm, handles the majority of the legal work for the union.

Interviewed on 11/20/72 at St. Louis, Missouri File # SL 156-20-29
by SA [redacted] TRP:prk Date dictated 11/20/72

12/11/72

AIRTEL

TO: SAC, WFO (92-2369)
FROM: SAC, ST. LOUIS (156-20) (P)
SUBJECT: IRVIN JULIUS KAHN;
MORRIS A. SHENKER, aka;
WPPDA
OO: SL
Bufile: 156-549

On 12/7/72 St. Louis Strike Force Attorney [] advised that he had determined that several Justice Department attorneys had personally observed St. Louis Attorney MORRIS A. SHENKER present the oral argument before the United States Supreme Court on behalf of the Pipefitters Union, Local 562, St. Louis, Missouri. This oral argument pertained to the appeal by the Pipefitters Union from a conviction for using Union funds for political purposes.

Inasmuch as SHENKER's representation of the Pipefitters is a pertinent factor in instant matter, St. Louis desires to fully document as many services as possible that SHENKER has provided to the Pipefitters Union.

Strike Force Attorney [] stated that the above described Justice Department attorneys are [] It should be noted that [] was formerly associated with SHENKER's St. Louis law firm. [] stated

LEADS

2 - WFO
② - St. Louis
TRP:ls1
(4) *ls1*

156-20-30
SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____
2/3

SL 156-20

WASHINGTON FIELD OFFICE

AT WASHINGTON, D. C.

Will interview U. S. Justice Department Attorneys
[REDACTED] regarding their observation of
SHENKER's appearance before the Supreme Court regarding
the Pipefitters appeal.

156-20-31

SEARCHED.....	INDEXED.....
SERIALIZED <i>17</i>	FILED <i>17</i>
372 <i>17</i>	
LOUIS	
<i>17</i>	

29. PREMISES REPORT: (cont'd)

Bldg. 1. This premises was originally licensed with a Duplicate, but will now be the Master License. It is a large building, approximately 190' x 140', consisting of a cocktail lounge, dining room, lobby area and a completely equipped kitchen serving full meals in compliance with Section 23038. Room service to the hotel quarters and service to the swimming pool will be made from this premises per ABC Form 253 attached.

Bldg. 2. A Cocktail lounge and ballroom, approximately 120' x 90', located to the east of the Master premises. This location is properly posted per Rule 107. This location was the original licensed premises and will now hold the duplicate type 48. There will be no sales or service to the other areas from this premises.

Less for exchange of licenses should have been collected but Dept will
There are no consideration points involved. *Waive in this case - per CFC*

Due to the quasi-private nature of the Spa and sales of homesites, applicant-corporation has submitted the attached Petition for Conditional license whereby the general public will not be excluded from using the restaurant and bar facilities.

30. FINANCIAL REPORT:

Total Consideration \$50,000

Prior to Mr. Shenker's purchase of the stock, the corporation had a deficit of \$46,227.96 (Financial Statement 2/28/70), which resulted in an equity of \$3,872.04. Subsequent to his purchase, the corporation had an equity of \$109,900.00 (Financial Statement 5/31/71). In addition, his purchase was at par. Also, Mr. Shenker was instrumental in acquiring permanent financing for the land development through Steamfitter's Local 562, St. Louis, Mo.

SOURCE OF FUNDS:

Mr. Shenker's funds were derived from personal income as an attorney and real estate investments. A copy of his personal financial statement as of 6/1/70 showing a net worth of \$7,620,584 in file.

TENANCY:

Applicant-corporation owns the real property and improvements.

b6
b7C
40526

STATE OF CALIFORNIA
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
CORPORATION QUESTIONNAIRE

Name of Corporation MURRIETA HOT SPRINGS Lic. No. _____

DBA Murrieta Springs

Address 4 Miles East of Murrieta (OUT)

Officers and/or Directors:

TITLE	NAME	ADDRESS
Pres	Director Irvin J. Kahn	3010 Cowley Way, San Diego, Ca. 92117
		3010 Cowley Way, San Diego, Ca. 92117

3010 Cowley Way, San Diego, Ca. 92117

3010 Cowley Way, San Diego, Ca. 92117

3010 Cowley Way, San Diego, Ca. 92117

3010 Cowley Way, San Diego, Ca. 92117

3010 Cowley Way, San Diego, Ca. 92117

3010 Cowley Way

Attorney _____ Address San Diego, Ca 92117 Phone 276-5130

3010 Cowley Way

Accountant _____ Address San Diego, Ca 92117 Phone 276-5130

Date Incorporated 10/8/69 Amend
10/23/69 (Name Corporation) Calif. Secretary of State's File No. 582257

Notification, Date 1/6/70 4/16/70

Permit to issue, Date _____ } Authorize issuance to: Irvin J. Kahn - 1/6/70
Morris A. Shenker - 4/16/70

STOCK CERTIFICATE BOOK SHOWS PRESENT STOCKHOLDERS AS FOLLOWS: (Attach extra sheet if needed.) (If a pledge of stock, include date, number of shares, and from whom and to whom.)

NAME	CERT. NO.	DATE ISSUED	NO. OF SHARES	DATE CANCELLED
Irvin J. Kahn	3	January 6, 1970	500	
Morris A. Shenker	4	April 21, 1970	500	

Corporation's Principal Office where Stock Register will be maintained:

Address 3010 Cowley Way, San Diego, Ca. 92117

Bank account of corporation at Security Pacific National Bank Bank

Address South Clairemont Branch, San Diego, Ca. Phone 232 4331

Authorized signatures Just the above Directors.

I HEREBY CERTIFY that there have been no changes in officers, directors, or stockholders that have not been reported to the Department of Alcoholic Beverage Control and that each such officer, director, and stockholder is the real party in interest with respect to his position and is not acting directly or indirectly as an agent, employee or representative of any other person not reported to the Department.

For the Corporation _____ Title _____

Dated at San Bernardino the _____ day of _____, 19____

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (156-20)

FROM : *JMR*
2K SAC, SACRAMENTO (92-645)(RUC)

SUBJECT: MORRIS A. SHENKER;
IRVIN JULIUS KAHN
Pipefitters Union Local #562
Welfare and Pension Fund
St. Louis, Missouri
WPPDA
OO: St. Louis

DATE: 12/11/72

Re St. Louis airtel to Honolulu dated 10/6/72.

Enclosed herewith for St. Louis are two (2) copies of applications for Alcoholic Beverage Control licenses regarding Murrieta Hot Springs, which items were furnished by Licensing Division, California State Alcoholic Beverage Control, Sacramento, California.

2 - St. Louis (Encls. 2)
1 - Sacramento
MJM/kag
(3)

156-20-32

SEARCHED	INDEXED
SERIALIZED	FILED
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LOUIS	
10	



STATE OF CALIFORNIA
DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
CORPORATION QUESTIONNAIREName of Corporation MURRIETA HOT SPRINGSLic. No. 40526DBA MURRIETA HOT SPRINGSAddress 4 Miles East of Murrieta (OUT)

Officers and/or Directors:

TITLE

NAME

ADDRESS

Pres-Dir Irvin J. Kahn3010 Cowley Wy, San Diego

"	"	"	"	"
"	"	"	"	"
"	"	"	"	"
"	"	"	"	"

Attorney [REDACTED]Address 3010 Cowley, S.D.Phone [REDACTED]Accountant ApplicantAddress 10-23-69 (name correction)Phone [REDACTED]Date Incorporated 10-8-69-Amend/ State CalifSecretary of State's File No. 582257Notification, Date 12/12/69 / NE #7617Permit to issue, Date [REDACTED]

Authorize issuance to:

Irvin J. Kahn

STOCK CERTIFICATE BOOK SHOWS PRESENT STOCKHOLDERS AS FOLLOWS: (Attach extra sheet if needed.) (If a pledge of stock, include date, number of shares, and from whom and to whom.)

NAME	CERT. NO.	DATE ISSUED	NO. OF SHARES	DATE CANCELLED
* Irvin J. Kahn	1	12/9/69	1	12/16/69
Irvin J. Kahn	2	12/16/69	1	

* Certificate number 1 erroneously issued prior to Notification Date.

Corporation's Principal Office where Stock Register will be maintained:

Address 3010 Cowley Wy, San DiegoBank account of corporation at Security Pacific National Bank

Bank

Address South Clairmont Br. ^{San Diego} #066-225Phone [REDACTED]Authorized signatures Just the above directors

I HEREBY CERTIFY that there have been no changes in officers, directors, or stockholders that have not been reported to the Department of Alcoholic Beverage Control and that each such officer, director, and stockholder is the real party in interest with respect to his position and is not acting directly or indirectly as an agent, employee or representative of any other person not reported to the Department.

For the Corporation [REDACTED]Title [REDACTED]Dated at San Bernardino the 19th day of November, 1969

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 13 1972	
FBI - OUIS	

APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE(S)

To: Department of Alcoholic Beverage Control
1215 O Street
Sacramento, Calif. 95814 SAN BERNARDINO

(DISTRICT SERVING LOCATION)

The undersigned hereby applies for
licenses described as follows:

2. NAME(S) OF APPLICANT(S)

MURRIETA HOT SPRINGSPresident - Irvin J. Kahn

1. TYPE(S) OF LICENSE(S)

ON SALE GENERAL
PUBLIC PREMISESDUPLICATE ON SALE
GENERAL EATING PLACEApplied under Sec. 24044 ☐Effective Date: Issuance

FILE NO.

FEE NO.

GEOGRAPHICAL
CODE

Date

Issued

Temp. Permit

15244 &
15245 (Dup)Effective Date: 9/23/71

3. TYPE(S) OF TRANSACTION(S)

FEE

LIC.

TYPE

Person Transfer\$ 100.00482Person Transfer Duplicate100.0047Section 24071.1

4. Name of Business

Murrieta Springs

5. Location of Business—Number and Street

Murrieta Hot Springs Rd.,4 Mi. E. of Hwy. 395

City and Zip Code

Murrieta 92362

County

RiversideRECEIPT NO. 52752 TOTAL\$ 200.00

6. If Premises Licensed,

Show Type of License 48 & 47/017. Are Premises Inside
City Limits?No

8. Mailing Address (if different from 5)—Number and Street

3010 Cowley Way, San Diego, Calif. 92117

(Temp) (Perm)

PERM

9. Have you ever been convicted of a felony?

NO10. Have you ever violated any of the provisions of the Alcoholic
Beverage Control Act or regulations of the Department per-
taining to the Act? NO

11. Explain a "YES" answer to items 9 or 10 on an attachment which shall be deemed part of this application.

12. Applicant agrees (a) that any manager employed in on-sale licensed premises will have all the qualifications of a licensee, and
(b) that he will not violate or cause or permit to be violated any of the provisions of the Alcoholic Beverage Control Act.

13. STATE OF CALIFORNIA

County of San BernardinoDate 9/23/71

Under penalty of perjury, each person whose signature appears below, certifies and says: (1) He is the applicant, or one of the applicants, or an executive officer of the applicant corporation, named in the foregoing application, duly authorized to make this application on its behalf; (2) that he has read the foregoing application and knows the contents thereof and that each and all of the statements therein made are true; (3) that no person other than the applicant or applicants has any direct or indirect interest in the applicant's or applicants' business to be conducted under the license(s) for which this application is made; (4) that the transfer application or proposed transfer is not made to satisfy the payment of a loan or to fulfill an agreement entered into more than ninety (90) days preceding the day on which the transfer application is filed with the Department or to gain or establish a preference to or for any creditor of transferor or to defraud or injure any creditor of transferor.

14. APPLICANT

SIGN HERE MURRIETA HOT SPRINGSjmc BY: [Signature]

APPLICATION BY TRANSFEROR

Batch no. 1

15. STATE OF CALIFORNIA

County of San BernardinoDate 9/23/71

Under penalty of perjury, each person whose signature appears below, certifies and says: (1) He is the licensee, or an executive officer of the corporate licensee, named in the foregoing transfer application, duly authorized to make this transfer application on its behalf; (2) that he hereby makes application to surrender all interest in the attached license(s) described below and to transfer same to the applicant and/or location indicated on the upper portion of this application form, if such transfer is approved by the Director; (3) that the transfer application or proposed transfer is not made to satisfy the payment of a loan or to fulfill an agreement entered into more than ninety days preceding the day on which the transfer application is filed with the Department or to gain or establish a preference to or for any creditor of transferor or to defraud or injure any creditor of transferor.

16. Name(s) of Licensee(s)

17. Signature(s) of Licensee(s)

18. License Number(s)

MURRIETA HOT SPRINGSBY: [Signature]48-4052647/01-40526

19. Location

Number and Street

4 Miles East of

City and Zip Code

Murrieta 92362

County

Riverside

Do Not Write Below This Line; For Department Use Only

Attached: ☒ Recorded notice,☐ Fiduciary papers,☒ ABC-232

(OTHER)

COPIES MAILED 9/23/71☐ Renewal: Fee of

Paid at

Office on

Receipt No.

NOTIFICATION
WRITTEN

F B I

Date: 12/20/72

Transmit the following in _____
(Type in plaintext or code)

AIRTEL

Via _____
(Priority)

TO: SAC, ST. LOUIS (156-20)

FROM: SAC, WFO (156-57)(RUC)

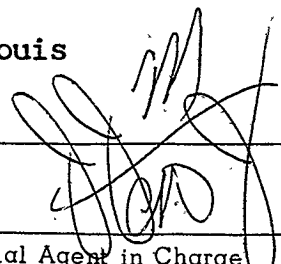
IRVIN JULIUS KAHN;
MORRIS A. SHENKER, aka;
WPPDA
(OO:SL)

Re SL airtel to WFO, 12/11/72.

For the information of St. Louis Office,
Departmental Attorneys mentioned in referenced airtel are
not being contacted by WFO without the prior approval of
the Bureau.

It is also suggested St. Louis Strike Force Attorney
[redacted] could obtain the information he desires
through the office of the Solicitor General by contacting
the attorney that argued the case for the Government.

2 - St. Louis
1 - WFO
CDJ:pep
(3)

Approved: _____
Special Agent in Charge

Sent _____ M Per _____

1
LA 156-76
JEDV/kll

The following investigation was conducted by
SA [REDACTED]

AT MURIETTA, CALIFORNIA

[REDACTED] Murietta Hot Springs
Sna. advised on December 5, 1972, that [REDACTED]
[REDACTED] Murietta Hot Springs, was located in the
offices of Irvin J. Kahn Organization, 3010 Cowley Way,
San Diego, California.

AT RIVERSIDE, CALIFORNIA

The files of the Riverside County Recorder's
Office, reviewed on December 5, 1972, reflected the
following information or references to MORRIS A. SHENKER,
[REDACTED]

Document Number [REDACTED] a subordination agreement,
recorded July 16, 1970, made July 16, 1970, by Murietta
Hot Springs, a California corporation, owner, and IRVIN J.
KAHN, present owner and holder of the deed of trust and
note in the amount of \$1,300,000 which was recorded
January 12, 1970, instrument number 2663, and SORKIS WEBBE,
to whom the owner was to execute a deed of trust and note
in the amount of \$100,000.

Document number [REDACTED] a subordination agreement,
recorded July 16, 1970, reflecting a note dated June 15,
1970, to the Great Western Mortgage Company in the amount
of \$400,000 to guarantee an executed deed of trust and
note in the amount of \$100,000 to SORKIS WEBBE.

Document number [REDACTED] recorded July 16, 1970,
a corporate deed of trust and assignment of rents (short
form) dated July 16, 1970, between Murietta Hot Springs,
owner of the property in question, and MORRIS A. SCHENKER,
beneficiary.

156-20-34

SEARCHED	INDEXED
SERIALIZED	FILE
DEC 26 1972	

2
LA 156-76
JEDV/kll

Document number [] a subordination agreement, recorded July 16, 1970, by Murietta Hot Springs, a California corporation, owner of certain properties and IRVIN J. KAHN, the holder of a \$1,300,000 note dated January 6, 1970, in favor of KAHN, who was executing a deed of trust and note for \$100,000 payable to MORRIS A. SCHENKER.

Document number [] a subordination agreement recorded July 16, 1970, an agreement by Murietta Hot Springs, a California corporation, owner of certain described properties, and Great Western Mortgage Company, owner and holder of a deed of trust and note for \$400,000 made payable to Great Western Mortgage dated June 15, 1970; the owner to execute a deed of trust and note for \$100,000 dated July 16, 1970, in favor of MORRIS A. SHENKER.

Document number [] a corporate deed of trust and assignment of rent, recorded July 16, 1970, made by Murietta Hot Springs, a California corporation, owner of certain described properties in Riverside County, and [] beneficiary; trustor (Murietta Hot Springs) granting, transferring and assigning to trustee in trust (Title, Insurance and Trust Corporation) in that the beneficiary is irrevocably authorized to direct the trustee to execute any and all subdivision maps on beneficiary's request.

Document number [] a subordination agreement recorded July 16, 1970, between Murietta Hot Springs, a California Corporation, owner of certain described properties in Riverside County, California, and IRVIN J. KAHN, owner of a note and holder of deed of trust to secure a note for \$1,300,000 dated January 6, 1970, in favor of IRVIN J. KAHN, executed a deed of trust and note for \$100,000 dated July 16, 1970, in favor of []

3
LA 156-76
JEDV/k11

Document number [] a subordination agreement, recorded July 16, 1970, by Murietta Hot Springs, a California Corporation, owner of certain described properties in Riverside County, California, and Great Western Mortgage Company, holder of a deed of trust and note in the amount of \$400,000 dated June 15, 1970; to secure a note to be issued by owner in the amount of \$100,000 payable to []

Document number [] recorded September 18, 1970, a subordination agreement, between Murietta Hot Springs, a California corporation, owner of certain described properties in Riverside County, California, and Great Western Mortgage Company, holder of deed of trust and note in the amount of \$400,000 dated June 15, 1970, payable to Great Western Mortgage Company; owners to execute a note and deed of trust for \$100,000 to []

Document number [] a subordination agreement, recorded September 18, 1970, between Murietta Hot Springs, a California corporation, owner of certain described properties in Riverside County, and Golden West Mortgage Company, holder of a deed of trust and note in the amount of \$400,000; to issue a note dated August 25, 1970, in the amount of \$100,000 payable to MORRIS A. SHENKER,

Document number [] recorded September 23, 1971, was an application for a license transfer for alcoholic beverages, from Murietta Hot Springs, a California corporation; stock ownership IRVIN J. KAHN 100 percent to be transferred to the Murietta Hot Springs, ownership IRVIN J. KAHN, 50 percent of stock and MORRIS A. SHENKER, 50 percent of stock.

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (156-20)

DATE: 12/19/72

FROM : SAC, LOS ANGELES (156-76) (RUC)

SUBJECT: MORRIS A. SHENKER, aka
ET AL
WPPDA
OO: St. Louis
BU File 156-549

Re St. Louis airtel to Los Angeles, dated 11/8/72.

There are enclosed to St. Louis nine copies, and to San Diego, one copy of an investigative insert regarding investigation at Murietta, California and Riverside, California.

It should be noted that the ownership in the stock of Murietta Hot Springs, a California corporation, would not be recorded in the Riverside County Recorder's Office, but it would be located in the minutes of the corporate meetings, or the file with the California Division of Corporations, at Sacramento, California.

San Diego has not been requested to interview [redacted] since it was learned that he is located in the offices of Irvin J. Kahn Organization, 3010 Cowley Way, San Diego, California.

St. Louis Office will request investigation at Sacramento and in San Diego, California if deemed appropriate at this time.

② - St. Louis (Encl. 9) (RM)
1 - San Diego (Encl. 1) (Info)
1 - Los Angeles

JJF/mss
(4)

156-20-35

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 23 1972	

[redacted]



UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (156-20) DATE: 12/20/72

FROM : *[Signature]* SAC, SAN DIEGO (156-5) (RUC)

SUBJECT: MORRIS A. SHENKER, aka;
IRVIN JULIUS KAHN,
ETC.
WPPDA
(OO: St. Louis)
(Bufile: 156-549)

Re St. Louis airtel to Los Angeles 11/8/72,
and San Diego airtel to the Acting Director 12/5/72.

Forwarded herewith to St. Louis are copies
of Dun & Bradstreet reports on IRVIN J. KAHN and
Murietta Hot Springs.

On 12/13/72, Dun &
Bradstreet, 1271 Camino del Rio South, San Diego, California,
furnished copies of Dun & Bradstreet reports concerning
IRVIN J. KAHN and Murietta Hot Springs. These reports
contained no information concerning how stock in Murietta
Hot Springs was purchased by KAHN and SHENKER.

On 12/15/72 San
Diego County District Attorney's Office, San Diego,
California, advised that their files contain very little
information concerning Murietta Hot Springs and contained
no information concerning how MORRIS SHENKER and IRVIN J.
KAHN purchased stock in Murietta Hot Springs.
stated ~~the~~ information concerning Murietta Hot Springs
deals with the arrest of IRVIN J. KAHN on 5/30/70 by the
Sheriff's Office, Riverside, California, for gambling at
Murietta Hot Springs.

- ② - St. Louis (Encls. *3*)
1 - San Diego

CJK:bw
(3)

156-20-36

SEARCHED <i>js</i>	INDEXED <i>js</i>
SERIALIZED <i>js</i>	FILED <i>js</i>
DEC 23 1972	



12-22-72

AIRTEL

TO: ACTING DIRECTOR, FBI (156-549)
FROM: SAC, ST. LOUIS (156-20)

MORRIS A. SHENKER, aka;
IRVIN JULIUS KAHN;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUND
ST. LOUIS, MO.
WPPDA
OO: St. Louis

Re St. Louis airtel to Bureau, 10-16-72.

It is noted that instant matter has been under investigation within the St. Louis Division since 10-4-72. To date no report has been submitted to the Bureau; however, this matter has been actively investigated and has been kept current through interoffice communications.

Case Agent has been engaged in extensive pre-trial preparation in the matter entitled [REDACTED] aka; ECT; OO: St. Louis: SL 179-37, Bufile 179-696," which is the first such matter ever prosecuted of that type in the Eastern District of Missouri. Additionally,

b3
b6
b7C

[REDACTED] St. Louis, SL 156-21" have been subpoenaed before a Federal Grand Jury at St. Louis and extensive review of same is currently underway.

2 - Bureau
2 - St. Louis
TRP:ss
4

156-20-37
SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

b6
b7C

SL 156-20

For the above described reasons normal reporting deadlines have not been made in this case; however, a report will be submitted to reach the Bureau by 1-15-73.

It is noted that both instant matter and above described companion case relating to SHENKER and the Teamsters Union Pension Fund bear the same Bufile number - 156-549. The Bureau is requested to advise if this Bufile number is correct in both cases.

F B I

Transmit in _____ Via Airtel
(Type in plaintext or code)

(Priority)

Date 12/27/72

TO: SAC, St. Louis (156-20)

✓ FROM: For the Acting Director, FBI

[redacted]
Acting Associate DirectorIRVIN JULIUS KAHN;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUND
ST. LOUIS, MO.
WPPDA

Reurairtel 12/22/72 captioned as above in accordance with prior correspondence in this case which is separate from WPPDA case entitled "Morris A. Shenker; [redacted] dba America Motor Inns, Inc., Roanoke, Virginia," (St. Louis 156-21).

Reairtel in this case as well as SLairtel in foregoing case (St. Louis 156-21) indicates a need for closer supervision to assure proper reporting is made to Bureau in accordance with existing procedures. It is noted that, unless a final accounting report will be submitted to the Bureau, within 30 days of institution of accounting investigation, a communication suitable for dissemination should be submitted within two weeks after the initiation of such investigation and similar communications are required every 30 calendar days thereafter until final accounting report is submitted (FBI Handbook, Part I, page 73).

Submit appropriate communication promptly.

(Do not type below this line.)

156-20-38
SEARCHED [initials] INDEXED [initials]
SERIALIZED [initials] FILED [initials]

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FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE ST. LOUIS	OFFICE OF ORIGIN ST. LOUIS	DATE 1/5/73	INVESTIGATIVE PERIOD 7/7/72 - 12/15/72
TITLE OF CASE "CHANGED" MORRIS A. SHENKER, aka Moische Greenberg (TN), Morrie Shenker, No Shenker; IRVIN JULIUS KAHN; PIPEFITTERS UNION LOCAL 562 WELFARE AND PENSION FUNDS ST. LOUIS, MISSOURI		REPORT MADE BY SA [redacted]	TYPED BY ls1
		CHARACTER OF CASE WPEDA	

Title is changed to add true given name of SHENKER.

REFERENCE: Bureau airtel to SL, 12/27/72.

- 2 -

ADMINISTRATIVE:

Reporting period is lengthy, however, case has been kept current through extensive investigation and interoffice communications. Additionally, instant matter was originally under investigation in SL 92-2083, a CIP matter captioned, "MORRIS A. SHENKER, aka; AR."

ACCOMPLISHMENTS CLAIMED				<input checked="" type="checkbox"/> NONE	ACQUIT- TALS	CASE HAS BEEN:	
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES			
						PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
APPROVED					SPECIAL AGENT IN CHARGE		DO NOT WRITE IN SPACES BELOW
COPIES MADE:							
3 - Bureau (156-549) ⁵⁵⁷ 1 - USA, St. Louis 1 - AIC, St. Louis Field Office 1 - San Diego (156-5) (Info) 1 - Los Angeles (156-76) (Info) 2 - St. Louis (156-20)							
Dissemination Record of Attached Report					Notations		
Agency							
Request Recd.							
Date Fwd.							
How Fwd.							
By							

SL 156-20

Information copies being provided to San Diego and Los Angeles due to prior investigation within those divisions and the strong possibility of future investigative requests of those offices. It is noted that a companion case is also under investigation by St. Louis captioned, "MORRIS A. SHENKER, aka; American Motor Inns, Incorporated; Teamsters Union Central States Pension Fund, Chicago, Illinois; WPPDA., SL 156-21", involving the payment to SHENKER of large fees resulting from his negotiating multi-million dollar loans from the Teamsters Pension Fund for American Motor Inns.

The mercantile information reporting company referred to in details is Dun and Bradstreet, St. Louis, Missouri.

Information set out in details regarding the involvement of MORRIS SHENKER in the purchase of the Aladdin Hotel, Las Vegas, Nevada, is currently under investigation by St. Louis in the matter captioned, "Aladdin Hotel, Las Vegas, Nevada; MORRIS A. SHENKER; SORKIS WEBBE; [REDACTED]

ITAR - G. OO: SL, SL 166-173."

The preliminary prosecutive opinion of St. Louis Strike Force Attorneys set out in details has been confirmed by separate communication at the time the opinion was rendered.

Included in details of this report are several interviews which were conducted in 1967 and 1968 under SL 56-158. That investigation involved the illegal use of union funds for political purposes by the Pipefitters Union Local 562 at St. Louis. These interviews are being included in instant report as an attempt to show additional evidence of affiliation between MORRIS SHENKER and the Pipefitters Union. This includes information that rooms used to store Pipefitter records were rented immediately adjacent to SHENKER's law offices. The dates of these interviews are not being included in the above investigative period for instant report.

Current investigation as well as extensive review of St. Louis Office indices has revealed that SHENKER apparently routinely uses his employees as "front men" in order to prevent his name from being personally linked with various matters that he does not desire to be publicly associated with.

SL 156-20

LEADS:

ST. LOUIS DIVISION

AT ST. LOUIS, MISSOURI

(1) Will thoroughly review bank records from First National Bank of St. Louis for MORRIS A. SHENKER.

(2) Will conduct same review of accounts at St. Louis County National Bank and Continental Bank for SHENKER's employee, [REDACTED]

✓ (3) Will thoroughly review and examine bank records and paid bills and invoices of Pipefitters Union Local 562 for evidence of services provided by and payments made to SHENKER.

(4) Upon completion of above examinations, will conduct logical follow-up investigation.

(5) Will attempt to determine exact employment relationship between [REDACTED] and MORRIS SHENKER.

✓ (6) Will contact St. Louis Strike Force Attorney [REDACTED] and request research into legal relationship involved in one attorney working as an employee of another attorney.

(7) Will identify and interview past and present trustees of Pipefitters Union Local 562, Welfare and Pension Funds, regarding their knowledge of IRVIN KAHN and MORRIS SHENKER.

(8) Will attempt to obtain loan notes signed by IRVIN KAHN for Pipefitters Union and will thereafter attempt to trace all disbursements of loan proceeds.

(9) Will conduct appropriate investigation to obtain and review pertinent records of IRVIN KAHN and Murietta Hot Springs.

SL 156-20

(10) Will maintain contact with St. Louis
Strike Force Attorney [REDACTED]

- D* -
COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

1 - United States Attorney, St. Louis
1 - Attorney-in-Charge, St. Louis Field Office

Report of:
Date:

SA [REDACTED]
January 5, 1973

Office: ST. LOUIS

Field Office File #:

SL 156-20

Bureau File #: 156-549

Title:

MORRIS A. SHENKER;
IRVIN JULIUS KAHN;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUNDS
ST. LOUIS, MISSOURI

Character:

WELFARE AND PENSION PLANS DISCLOSURE ACT

Synopsis:

MORRIS A. SHENKER Law Firm, St. Louis, Missouri, representing Pipefitters Union Local 562, as legal counsel. IRVIN J. KAHN, San Diego, California, doing business as Murietta Hot Springs, received loans from Pipefitters Union Local 562 Welfare and Pension Funds totalling \$12 million between 10/70 and 7/71. Loans for KAHN negotiated by SHENKER. Documents filed with State of California on 9/23/71 record granting of half interest in Murietta Hot Springs to SHENKER. Strike Force Attorney at St. Louis feels possible violation, Title 18, USC, Section 1954, exists. Investigation continuing including review of pertinent Union records and personal bank accounts of subjects.

- P -

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SL 156-20

DETAILS: AT ST. LOUIS, MISSOURI

I. Predication

On July 7, 1972, [redacted] of the St. Louis Office of the United States Department of Labor advised the St. Louis Division of the Federal Bureau of Investigation that their agency was conducting a current examination of the records of the Pipefitters Union Local 562. During this examination they had occasion to review records of that Local's Welfare and Pension Funds, and, as a result, discovered minutes of meetings of the trustees of those funds wherein loans were approved to IRVIN JULIUS KAHN doing business as Murietta Hot Springs, Incorporated, which is situated in southern California. These minutes indicated that SHENKER appeared to be negotiating the loans from the funds for KAHN.

Specifically, these loans were as follows:

On October 7, 1970, the funds loaned \$4.5 million to KAHN.

On January 14, 1971 the funds again loaned KAHN an additional \$2.5 million.

On July 14, 1971 the funds loaned KAHN additional \$5 million.

The St. Louis Labor Department representatives additionally advised that they had also examined records at the Pipefitters Local Office indicating that SHENKER received a half interest in Murietta Hot Springs on or about September 23, 1971.

II. Background of MORRIS A. SHENKER

On August 23, 1972, a mercantile information reporting company in St. Louis, Missouri, provided the following background on MORRIS A. SHENKER:

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"MORRIS SHENKER born January 10, 1907, married, long time resident of St. Louis. He has attended St. Louis University and received AB from Washington University in 1932. He received LLB from Washington University also in 1932 and was admitted to the Missouri Bar in that year. He served in the Missouri Supreme Court in 1934, United States District Court, Eastern Division of Missouri in 1936, United States Court of Appeals, 8th Circuit in 1949, United States Supreme Court in 1940. He was Provisional Judge for City Court of St. Louis in 1939 to 1940. He was Provisional Judge for the Court of Criminal Correction from 1947 to 1950. He was visiting lecturer of the Law Student Association, University of Missouri 1954. Lecturer of the Law of Science Institute co-sponsored by the Schools of Law and Medicine of the University of Texas in 1957. He is co-founder and President of Dismas House from 1949 to present. He is member of the National Board of Governors, Development Corporation of Israel and has been since 1959. He has been Vice President of the Jewish Foundation of St. Louis from 1963. He has been trustee for Jewish Community Centers Association since 1963. He has been member of Board of Overseers of the Jewish Theological Seminary of America since 1964. He was recipient of the Human Relations Award of St. Louis University 1964. He is member of the Internal Board of Governors of the Hebrew University, Board of Governors, Child Center of Our Lady of Grace, Board of Directors of Jewish Hospital, St. Louis. He is member of the Lawyers Association of St. Louis and appeared as Chairman of Criminal Law and Procedure from 1944 to 1958. He is member of the American Bar Association and was panelist in 1961 and member of the Council on Criminal Law Section from 1964 to present. He is member of the National Association of Defense Lawyers and has appeared as President of that association since 1964 and Director since 1961."

On August 23, 1972, Internal Revenue Service Agent [redacted] of St. Louis, Missouri, advised that a review of the records of his office revealed that [redacted]

[redacted]

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SL 156-20

On September 24, 1972, an article appeared in the St. Louis Post Dispatch Newspaper written by [redacted] [redacted] The following paragraphs are excerpts from this article:

"A \$500,000 finder's fee has been set aside by Recrion Corp. for Morris A. Shenker, St. Louis criminal lawyer, for finding a group of purchasers for the Aladdin Hotel and gambling casino in Las Vegas, Nev.

"The hotel-casino was purchased for \$5,250,00 early this year by three investors, Peter J. Webbe, chief deputy in License Collector Benjamin L. Goins' office, St. Louis lawyer Richard L. Daly and Sam Diamond, Las Vegas gambler, formerly of Detroit.

"Shenker acknowledged that one of those who participated in the finder's fee is St. Louis Public Administrator Sorkis J. Webbe, Peter Webbe's older brother, who is attorney for the new owners of the Aladdin.

"Sorkis Webbe received 'only a minor part of the fee,' Shenker said. He refused to say how much or to identify others who were to participate in the fee.

"However, records of the Nevada Gaming Control Board showed that three other persons were to share in it with Shenker and Webbe. They are Jack Catain, Jr., J. Fihn and Sam Calabrese, none of whom is listed in St. Louis or St. Louis County directories.

"Shenker, who is under investigation by the Internal Revenue Service, is a part owner in a competitor of the Aladdin, the posh Dunes Hotel and casino.

"Shenker told the Post Dispatch that the amount of cash invested by the three purchasers of the Aladdin was between \$500,000 and \$600,000.

"Inquiry by the Post-Dispatch showed that Peter Webbe and Daly each invested \$125,000 in the Aladdin deal and Diamond furnished the balance.

"Webbe, who was appointed to his \$13,500 a year job in Goins' office Nov. 10, 1970, after serving as a \$7200 a year deputy coroner for seven years, borrowed his \$125,000 from the Missouri State bank and Trust Co., Twelfth Boulevard and Olive Street, it was learned.

"The loan was secured by a \$150,000 certificate of deposit owned by Webbe's uncle and aunt, Mr. and Mrs. Joseph Webbe, Joseph Webbe is a professional bondsman.

"Daly did not have to borrow his \$125,000, it was learned. He is reported to have a lucrative law practice. He is associated with the law firm of Rooney, Webbe (Sorkis J.), Davidson and Schlueter at 7 North Seventh Street.

"The original group of investors assembled by Shenker to purchase the Aladdin included three Detroit men whose applications for gaming licenses were denied by the Nevada Gaming Control Board because of their business associations with organized crime leaders and hoodlums.

"Before the purchase of the Aladdin became final, Webbe, Daly, and Diamond had to assume the obligations of these Detroit men, amounting to more than \$200,000.

"The Detroit men are Charles Goldfarb, a professional bondsman, his brother, Irwin, and George George.

"Investigators for the Nevada Gaming Control Board reported at a hearing on the applications that they had found that all three men were closely associated in business dealings with well-known Detroit hoodlums and leaders of organized crime in that area.

SL 156-20

"One of those with whom the Goldfarbs were associated was Jack Shapiro, who was sentenced to three years in prison and fined a total of \$30,000 last July in United States District Court at Los Angeles after being found guilty of conspiring to violate antiracketeering laws.

"Shapiro, five other individuals and Emprise Corp., Buffalo, N.Y., sports concessionaire, all were found guilty of conspiring to conceal ownership of the Frontier Hotel and casino in Las Vegas in 1966 and 1967. They were found guilty of using interstate facilities to further their scheme.

"Among the individuals were Anthony J. Giordano, reported head of the Mafia here, and two Detroit Mafia leaders. The convictions have been appealed."

XIII. Background of IRVIN KAHN and Murietta Hot Springs

AT SAN DIEGO, CALIFORNIA

On December 15, 1972, [redacted] Investigator, San Diego County District Attorney's Office, San Diego, California, advised that their files contain very little information concerning Murietta Hot Springs and contained no information concerning how MORRIS SHENKER and IRVIN J. KAHN purchased stock in Murietta Hot Springs. [redacted] stated his information concerning Murietta Hot Springs deals with the arrest of IRVIN J. KAHN on May 30, 1970 by the Sheriff's Office, Riverside, California, for gambling at Murietta Hot Springs.

A review of the records of a mercantile information reporting company in San Diego, California revealed the following information:

"Murietta Hot Springs was incorporated as a California corporation on October 8, 1969 as Murieta Hot Springs, however, incorporation papers were amended on October 23, 1969 to change the name to Murietta Hot Springs. The authorized capital for this company was \$100,000 consisting of 100 shares at a par value of \$100 each."

SL 156-20

" IRVIN KAHN was born January 13, 1916 and has lived most of his life in the San Diego, California area. He completed high school there and graduated from law school at the University of Southern California in 1938. He entered private practice after passing the State Bar Exam and continued there until entering military service with United States Army during World War II. After discharge, KAHN resumed legal practice and became associated with other attorneys locally, including [redacted] and also [redacted] currently secretary here. In about 1946 KAHN began devoting less time to the legal profession and to enter the real estate development field and to use his legal experience in connection with his own and his family's business interests. KAHN is locally regarded as a substantial and very influential businessman and has been instrumental in the development of large residential areas as well as business properties and shopping plazas. Some of his developments are in the North and South Clairemont areas of San Diego, as well as a large residential area known as University City, which includes single family residence properties, apartment properties, and shopping centers. KAHN, it is reported, has done considerable work in the past for the improvement and progress of this city. KAHN's father, ABE, now deceased, was a successful businessman, engaged in the operation of a chain of Texas Liquor Stores. These stores are still in operation by other members of the family and although KAHN has a financial interest, he has not been active in the operation of that business."

" Currently KAHN is a member of the San Diego County Bar Association, however, he is not active as an attorney in practice. He has all along been regarded as one of ability and foresight for making money. According to last statement available, June 30, 1966, KAHN has investments in stocks and bonds in 32 different organizations, with investments in joint ventures, partnerships, and real property, totalling another eleven."

" Public records indicate traffic violations and KAHN was also cited recently along with 126 others, mostly from the Los Angeles area, at his Murrieta Hot Springs resort on charge of violating state and county gambling and game ordinances. The case was dismissed, however, for lack of evidence."

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"Six complaints were filed in Superior Court between July 1, 1955, and October 31, 1960. Thirty-two complaints were filed between November 1960 and June, 1965. Between June, 1965 and July, 1966, there were twenty additional complaints filed. In addition, there were five complaints in the name of [redacted] between November 16, 1965, and August 15, 1966. Also, between July 8, 1966 and November 28, 1967, there were 61 complaints filed against the subject company, with 13 complaints against KAHN filed between March 2, 1965, and July 14, 1967. These actions generally involved or were the result of non-payment of obligations of one type or another. Few judgments have ever been granted against KAHN."

"The most recent and important court case filed against Penasquitos Corporation in which KAHN is principal, is as follows: Superior Court case #316831, filed February 25, 1970, against Penasquitos Corporation, IRVIN KAHN; plaintiff, [redacted]"

[redacted] a former business associate of IRVIN J. KAHN, San Diego financier and real estate developer, filed suit in Superior Court to claim half ownership in the multi-million dollar, Rancho Los Penasquitos."

[redacted] of Beverly Hills, said in the suit that his claim is based on KAHN's oral offer of half interest in the 12,000 acre parcel in exchange for help in financing its development."

[redacted] said he became acquainted with KAHN in 1950 and that they participated in numerous real estate ventures. [redacted] said that since 1947 he has acquired special knowledge and ability to obtain financing for real estate venture. He asked the court to find that the oral agreement is a valid contract and to award him half of KAHN's interest in Rancho Los Penasquitos. [redacted] said its value is in excess of \$100 million."

"He said that under his agreement with KAHN, [redacted] half interest would be held in trust by KAHN until it was determined how much of the property KAHN would have to give up in exchange for financing."

"The suit said that on April 29, 1965, KAHN solicited [redacted] assistance in securing funds from the Teamsters Pension Fund through MORRIS SHENKER, agent for the pension fund."

SL 156-20

"KAHN was in dire need of funds to meet financial commitments and recognized that the property was or would soon be subject to foreclosure, according to the suit."

"After making the agreement with KAHN, which was contingent upon the commitment of at least \$6 million to KAHN from the pension fund, [] recommended KAHN to SHENKER."

IV. MORRIS A. SHENKER's Position As Legal Counsel For Pipefitters Union Local 562

AT ST. LOUIS, MISSOURI

On August 18, 1972, St. Louis Strike Force Attorney [] advised that the following attorneys are employed by MORRIS A. SHENKER in his law firm:



SL 156-20

On December 7, 1972, St. Louis Strike Force Attorney [redacted] advised that he had determined that several Justice Department attorneys had personally observed St. Louis Attorney MORRIS A. SHENKER present the oral argument before the United States Supreme Court on behalf of the Pipefitters Union, Local 562, St. Louis, Missouri. This oral argument pertained to the appeal by the Pipefitters Union from a conviction for using Union funds for political purposes.

Strike Force Attorney [redacted] stated that the above described Justice Department attorneys are [redacted] [redacted] stated that [redacted] was formerly associated with SHENKER's St. Louis law firm.

The following interviews were conducted during an investigation in 1967 and 1968 by the St. Louis Office of the Federal Bureau of Investigation of allegations that the Pipefitters Union Local 562 was illegally using Union funds for political purposes:

FEDERAL BUREAU OF INVESTIGATION

Date 12-26-67

[redacted] Attorney MORRIS A. SHENKER, 408 Olive Street, was shown copies of the following checks of the Pipefitters Voluntary Political, Educational, Legislative, Charity and Defense Fund, St. Louis, Missouri, payable to LONG for the Senate Committee:

<u>Date</u>	<u>Check #</u>	<u>Amount</u>
[redacted]		

[redacted]
of the said committee on the account at Citizens Bank of University City, University City, Missouri, but she indicated that she knew very little about the account and that her employer, MORRIS A. SHENKER, should be contacted for further explanation of the items.

[redacted] stated that she would have Mr. SHENKER contact SAA [redacted] as soon as possible regarding the above items.

On 12-14-67 at St. Louis, Missouri File # SL 56-158 - 80

by SAA [redacted] /ral Date dictated 12-20-67

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

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FEDERAL BUREAU OF INVESTIGATION

Date 12-27-67

MORRIS A. SHENKER, Attorney at Law, 408 Olive Street, advised that the following checks of the Pipefitters Voluntary Political, Educational, Legislative and Charity Fund, St. Louis, Missouri, were deposited in the account entitled "LONG for the Senate Committee" at the Citizens Bank of University City, University City, Missouri, as indicated by endorsements thereon:

<u>Check #</u>	<u>Date</u>	<u>Amount</u>
----------------	-------------	---------------

--	--	--

SHENKER stated that all of the proceeds from the above account were utilized for political expenses for U. S. Senator EDWARD V. LONG and he volunteered that these items have no connection with any personal account of SHENKER.

SHENKER was questioned concerning a PVF check dated May 8, 1964, in amount of \$5,000.00, payable to SHENKER and marked "for political purposes", plus a cash payment of \$10,000.00 made to SHENKER, per the PVF records, on July 31, 1964. It was noted that on January 6, 1965, PVF records reflected that SHENKER returned \$8,000.00 cash to the PVF as "unspent balance from \$15,000.00 turned over to him in 1964 for political purposes".

SHENKER stated that he had disbursed the balance of \$7,000.00 according to the wishes of the operators of PVF and, quite possibly, had made some disbursements to candidates for Federal office from this \$7,000.00, however, he would have to review his files in order to identify any such contributions for Federal candidates.

SHENKER stated that he would review his files for such information and furnish such data to SAA [redacted] on December 26, 1967, since he was now going out of town until late December 22, 1967.

On 12-19-67 at St. Louis, Missouri File # SL 56-158 - 87

by SAA [redacted] /ral Date dictated 12-21-67

SL 56-158

SHENKER volunteered that the records of PVF would clearly show that PVF had made contributions to Federal candidates in many instances and that if the Government was proceeding on the legal theory that the PVF was not allowed to make such contributions such a finding would be "embarrassing" to many legal minds who had given the matter considerable thought. He remarked that he would not be embarrassed since he did not set up the PVF but it was set up many years ago by [redacted] who is an eminent labor lawyer in St. Louis.

FEDERAL BUREAU OF INVESTIGATION

Date 12-27-67

MORRIS A. SHENKER, Attorney at Law, 408 Olive Street, advised that, according to his records, the following contributions were made by his personal checks from the \$7,000 net proceeds to him from the PIPEFITTERS VOLUNTARY POLITICAL, EDUCATIONAL, LEGISLATIVE, CHARITY AND DEFENSE FUND, St. Louis, Missouri, for 1964 and 1965, to candidates for Federal Offices:

<u>DATE</u>	<u>PAYEE</u>	<u>AMOUNT</u>
5-13-64	Democratic National Committee	\$1,000
5-19-64	Congressman [REDACTED] Committee	: 200
6-3-64	Citizens for [REDACTED] COMMITTEE	1,000
10-26-64	MC CLANAHAN FOR CONGRESS COMMITTEE (Mo.)	150
10-30-64	Citizens for [REDACTED] COMMITTEE	500

MR. SHENKER explained that the balance of the \$7,000 was contributed by him to candidates for local and state offices.

12-27-67St. Louis, MissouriSL: 56-158 - 91

On _____ at _____ File # _____

by SAA [REDACTED]

:wma

12-27-67

Date dictated _____

FEDERAL BUREAU OF INVESTIGATION

Date 9/12/68

[redacted] MORRIS A. SHENKER, 408 Olive Street, furnished the following information:

Shortly before 3:00 P.M. on that date she received a telephone call from [redacted] an attorney who shares the offices of Mr. SHENKER and who is representing Pipefitters Local Union Number 562 in the current trial. [redacted] told her that the trial was then having the afternoon recess and that he would not be back in the office until about 5:00 P.M.

Immediately after [redacted] call. [redacted]

[redacted]
[redacted]
trial, appeared at SHENKER's office. [redacted] has been

[redacted]
of the building at 408 Olive Street, in close proximity to SHENKER's office suite. [redacted] merely passed idle conversation for a few minutes and then [redacted] went out of SHENKER's office, presumably to continue her work with the union records.

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b7C

At about 4:20 P.M. on the same date she was called by the receptionist in SHENKER's office to the reception room where she observed [redacted]
[redacted]
[redacted]

On 9/4/68 at St. Louis, Missouri File # SL 56-158-239
by SAA [redacted] :mck Date dictated 9/9/68

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FEDERAL BUREAU OF INVESTIGATION

b6
b7C
b7DDate 9/12/68

[REDACTED]

[REDACTED] and
furnished the following information:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

On 9/4/68 at St. Louis, Missouri File # SL 56-158 - 240

by SAA [REDACTED] emck Date dictated 9/9/68

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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

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SL: #56-158

[REDACTED]

[REDACTED]

[REDACTED] although the
interview was conducted at about 6:00 P.M., [REDACTED]

[REDACTED]

FEDERAL BUREAU OF INVESTIGATION

b6
b7CDate 9/12/68

[redacted] Attorney at Law, [redacted]
[redacted] who represented defendant LAWRENCE L.
CALLANAN in the matter entitled "U.S. vs Pinefitters Local
Union No. 562; Lawrence L. Callanan; [redacted]
[redacted] in trial at that time in U. S. District Court Number 3,
St. Louis, Missouri, at 5:40 P.M., telephonically advised as
follows:

[redacted]
[redacted]
[redacted] The said records were
located in a rented suite of offices on the 8th floor of the
building at 408 Olive Street, St. Louis, Missouri, across a
corridor from the law offices of Attorneys MORRIS SHENKER, and
others.

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b7D

[redacted] stated that at about 3:30 P.M. September 4, 1968,
[redacted]
[redacted] He stated that [redacted]
was then in the office of Attorney SHENKER and would be made
available for interview.

[redacted] stated that local police had not been notified of
the incident for fear that publicity would prejudice the trial
of the matter above, which was in progress.

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On 9/4/68 at St. Louis, Missouri File # SL 56-158 - 242
by SAA [redacted] :mck Date dictated 9/9/68

FEDERAL BUREAU OF INVESTIGATION

Date 9/12/68b6
b7C

[redacted]
[redacted] was interviewed at a suite of offices adjacent to the elevator well on the 8th floor of the building at 408 Olive Street. He furnished the following information:

His firm has been employed by Attorneys [redacted]
[redacted] to review certain records of Pipefitters Local Number 562, St. Louis, Missouri, and records of the Pipefitters Voluntary Fund, St. Louis, Missouri, which are located in a four room suite of offices adjacent to the elevator well on the 8th floor of the building at 408 Olive Street, in close proximity to the law offices of Attorney MORRIS A. SHENKER, Attorney [redacted] and their associates.

[redacted] has been assisted in his review by two or three associates from his office and by [redacted]

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The records stored in the said four room suite of offices have been separated as follows:

First room - Local Number 562 records and a table, and three chairs utilized by [redacted]

Second room - Pipefitters Voluntary Fund records, a table and one chair.

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b7C

Third room - Pipefitters Voluntary Fund records, two tables and two metal chairs.

Fourth room - Photographic copies of records of Local Number 562, and the Pipefitters Voluntary Fund, as furnished by the U. S. Attorney, Eastern District of Missouri.

There are no funds nor negotiable documents maintained in the records.

On 9/4/68 at St. Louis, Missouri File # SL 56-158 -243

by SAA [redacted] :mck Date dictated 9/9/68

SL: 56-158

[] stated that from a cursory review of the said suite of offices, [] on the late afternoon of September 4, 1968, the only records which appeared to have been disturbed were those located in the second room and those located in the third room where []

The only records in the second office which appeared to have been disturbed were the three packets of cancelled checks, bank statements and invoices which had been thrown or dropped on the floor close to the boxed records behind the door. The said packets had formerly been piled on top of the boxed records behind the door in the second office.

The records in the third office, [] consisted of Pipefitters Voluntary Fund collection sheets which she had been sorting into piles. It appeared that two or three such sheets could have been disturbed from their positions on the piles on the table occupied by [] however. []

[] commented that he could not now definitely state that no records were missing from the suite of offices, but that he would immediately advise the Federal Bureau of Investigation in the event any such records, which had been in the office prior to [] were found to be missing. He stated that he was, therefore, unable to state that any of the stored records were materially disturbed.

FEDERAL BUREAU OF INVESTIGATION

Date 9/12/68

MORRIS A. SHENKER, Attorney at Law, 408 Olive Street, furnished the following information:

At about 4:30 P.M. he was advised that [] who had been working with defense attorneys on union records in an office across the corridor from SHENKER's office, was in the reception room of SHENKER's office []

SHENKER immediately went to the reception room of his office, and [] told SHENKER []

At about 5:00 P.M. SHENKER telephonically advised Attorney [] since [] represented defendant LAWRENCE L. CALLANAN in the trial now in progress, wherein, []

[] It was decided not to notify local police officials so that the incident would not in any way prejudice the conduct of the trial.

SHENKER stated that he could offer no logical explanation for the alleged incident involving []

On 9/4/68 at St. Louis, Missouri File # SL 56-158 - 244
by SAA [] :mck Date dictated 9/9/68

FEDERAL BUREAU OF INVESTIGATION

Date 9/12/68

Examination was made of an unnumbered suite of offices consisting of four rooms, located on the 8th floor of 408 Olive Street.

The entrance door to the suite of offices is located next to the elevator well at a right angle adjacent to the left side elevator in the elevator bank. The suite has one other door of egress or entrance, that being the door in the third office in the suite. This door leads into a corridor which runs behind the elevator well.

A search of the corridors and the stairways on the 8th floor failed to reveal any evidentiary material.

Photographs were taken of the office suite, the entrance doors and each of the four offices in order to depict the condition of the offices and the records stored therein.

By numbering the offices from the entrance door adjacent to the elevator well, the first office contained records of Pipefitters Local Number 562, and failed to evidence any disarray of such records. The second such office in the suite contained records of the Pipefitters Voluntary Fund (PVF) consisting of collection sheets, cancelled checks and invoices. Two russet-colored file packets containing cancelled checks, bank statements and invoices, were located in the middle of the floor, adjacent to a stack of cardboard cartons containing PVF Collection Sheets. The packets had allegedly previously been piled on top of the above-styled cardboard cartons behind the door leading to the first office.

The third office room which had a door leading to the back corridor, contained stacks of PVF collection sheets arranged in piles of about 50 sheets each on two cafeteria-type tables. Three of the stacks contained sheets which may have been disturbed from their original position. The table, furthest from the door to the corridor, was slightly ajar from its alleged prior position, closely parallel to the other table in the room.

On 9/4/68 at St. Louis, Missouri File # SL 56-158 - 241
by SAA [redacted] :mck Date dictated 9/9/68

SL: 56-158

The fourth office contained photographic copies of records of Pipefitters Local Number 562, and the PVF which had been furnished by the office of the U. S. Attorney, Eastern District of Missouri. Such records did not appear disturbed.

One manila folder was taken from the first such office, two russet-colored packets were removed from the second office room, and three collection sheets were removed from the table in the third office room for possible latent fingerprints.

Attorney [] who had custody of the above-styled suite of offices, was furnished with copies of the PVF collection sheets taken and advised that the manila folder and the russet-colored packets would not have to be returned.

No latent fingerprints of value were obtained during the physical examination of the premises.

SL 156-20

Based on the foregoing interviews, the following investigation was conducted by Special Agent [redacted]

[redacted]

SL 156-20

V. Details of Loans To IRVIN KAHN and Murietta Hot Springs
By Pipefitters Union Local 562 Welfare and Pension Funds

SL 156-20

VI. Interest Acquired By LORRIS A. SHENKER
In Marietta Hot Springs

The following investigation was conducted by
SC [REDACTED]

AT SACRAMENTO, CALIFORNIA

On September 28, 1972, [REDACTED]
Certification Officer, Office of the Secretary of State of
California, furnished the attached certified copy of Articles
of Incorporation of Marietta Hot Springs certificate
[REDACTED] filed October 8, 1969 and Certificate of Amendment of
Article of Incorporation of Marietta Hot Springs filed
October 23, 1969.

582257

FILED

In the office of the Secretary of State
of the State of California

ARTICLES OF INCORPORATION
OF
MURIETTA HOT SPRINGS

OCT 8 1969

FRANK M. JOHNSON, Secretary

Deputy

FIRST: The name of the corporation is MURIETTA HOT SPRINGS.

SECOND: The corporation's purposes are:

(a) The specific business in which the corporations is primarily to engage is the operation of a hotel and resort area, as well as to engage in those other activities normally associated with that type of business;

2 (b) To engage in any one or more businesses or transactions which the Board of Directors of this corporation may from time to time authorize or approve, whether related or unrelated to the business described in (a) above or to any other business then or therefore done by this corporation;

(c) To exercise any and all rights and powers which a corporation may now or hereafter exercise;

(d) To act as principal, agent, joint venturer, partner or in any other capacity which may be authorized or approved by the Board of Directors of this corporation; and

(e) To transact business in the State of California or in any other jurisdiction of the United States of America or elsewhere in the world.

The foregoing statement of purposes shall be construed as a statement of both purposes and powers, and the purposes and powers in each clause shall, except where otherwise expressed, be in nowise limited or restricted by reference to or inference from the terms or provisions of any other clause but shall be regarded as independent purposes and powers.

THIRD: The county in the State of California where the principal office for the transaction of the business of the corporation is located is the County of San Diego.

FOURTH: (a) The number of directors of the corporation is three.

Restriction of right
to amend articles

OK

yes

(b) The names and addresses of the persons who are appointed to act as first Directors are:

1. Irvin J. Kahn 3010 Cowley Way, San Diego, California 92117
2. 3010 Cowley Way, San Diego, California 92117
3. 3010 Cowley Way, San Diego, California 92117

FIFTH: The total number of shares which the corporation is authorized to issue is 1,000 shares. The aggregate par value of said shares is \$100,000.00, and the par value of each share is \$100.00. No distinction shall exist between the shares of the corporation or the holders thereof.

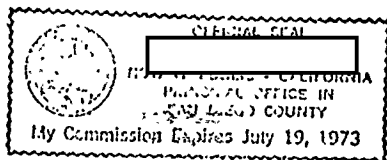
IN WITNESS WHEREOF, the undersigned and above-named incorporators and first directors of this corporation have executed these Articles of Incorporation on October 1, 1969.


Irvin J. Kahn

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

On October 1, 1969, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Irvin J. Kahn, Norman R. Smith and Kenneth L. Unruh, known to me to be the persons whose names are subscribed to the foregoing Articles of Incorporation, and acknowledged to me that they executed the same.

WITNESS my hand and official seal.



Notary Public in and for said County and State.

582257

188705

FILED
In the office of the Secretary of State
of the State of California

OCT 23 1969

By FRANK M. JORDAN, Secretary of State
Deputy

CERTIFICATE OF AMENDMENT OF ARTICLES
OF INCORPORATION OF
MURIETTA HOT SPRINGS

The undersigned, IRVIN J. KAHN and do
hereby certify:

One: That the signers hereof constitute at least two-thirds
of the incorporators of MURIETTA HOT SPRINGS, a California
corporation;

Two: That they hereby adopt the following amendment of
said Articles of Incorporation:

Article One of said Articles is hereby amended to read
as follows:

"One: The name of this corporation is:
MURRIETA HOT SPRINGS"

Three: That said corporation has issued no shares and has no
subscription to shares outstanding; and

Four: That this Certificate is executed for the purpose of
complying with the provisions of Section 3671 of the California
Corporations Code.

IN WITNESS WHEREOF, the undersigned have executed this
Certificate this 16th day of October, 1969.


Irvin J. Kahn

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss.

IRVIN J. KAHN and being first duly sworn,
each for himself, deposes and says:

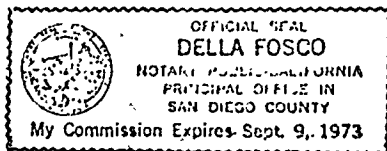
That each is one of the incorporators of MURIETTA HOT SPRINGS,
the California corporation mentioned in the foregoing Certificate of


Amendment; that each has read said Certificate and that the matters set forth therein are true of his own knowledge; and that the signatures purporting to be the signatures of incorporators thereto are the genuine signatures of said incorporators.


Irvin J. Kahn



Subscribed and sworn to before me this 16th day of October,
1969.




Notary Public in and for the
State of California.

The following investigation was conducted by
SA [REDACTED]

AT SAN BERNARDINO, CALIFORNIA

[REDACTED] State of California, Alcohol Beverage Control, Third and Arrowhead Avenue, advised on 10/30/72, that that department had conducted a background inquiry concerning SHENKER when he became a 50% stockholder in the Murietta Hot Springs Spa, Murietta, California. He stated that Murietta Hot Springs is currently owned by SHENKER and IRVING KAHN, a prominent San Diego attorney. [REDACTED] advised that his investigation reflected SHENKER set up the financing for the purchase of Murietta Hot Springs through the Steamfitters Local number 562, St. Louis, Missouri, for KAHN.

[REDACTED] stated that Murietta Hot Springs is operated by organization owned by IRVING J. KAHN and although SHENKER is a 50% stockholder, he is not an officer of the organization or corporation.

[REDACTED] further stated that SHENKER was also a 50% stockholder in a resort located near Escondido and San Diego, California, known as the Las Penacquitas. He added that other 50% of the stock is owned by KAHN.

SL 156-20

AT SACRAMENTO, CALIFORNIA

The following copies of applications for
alcoholic beverage license regarding Marietta Hot Springs,
were furnished by [redacted] License
Division, California State Alcoholic Beverage Control
Commission:

SL 156-20

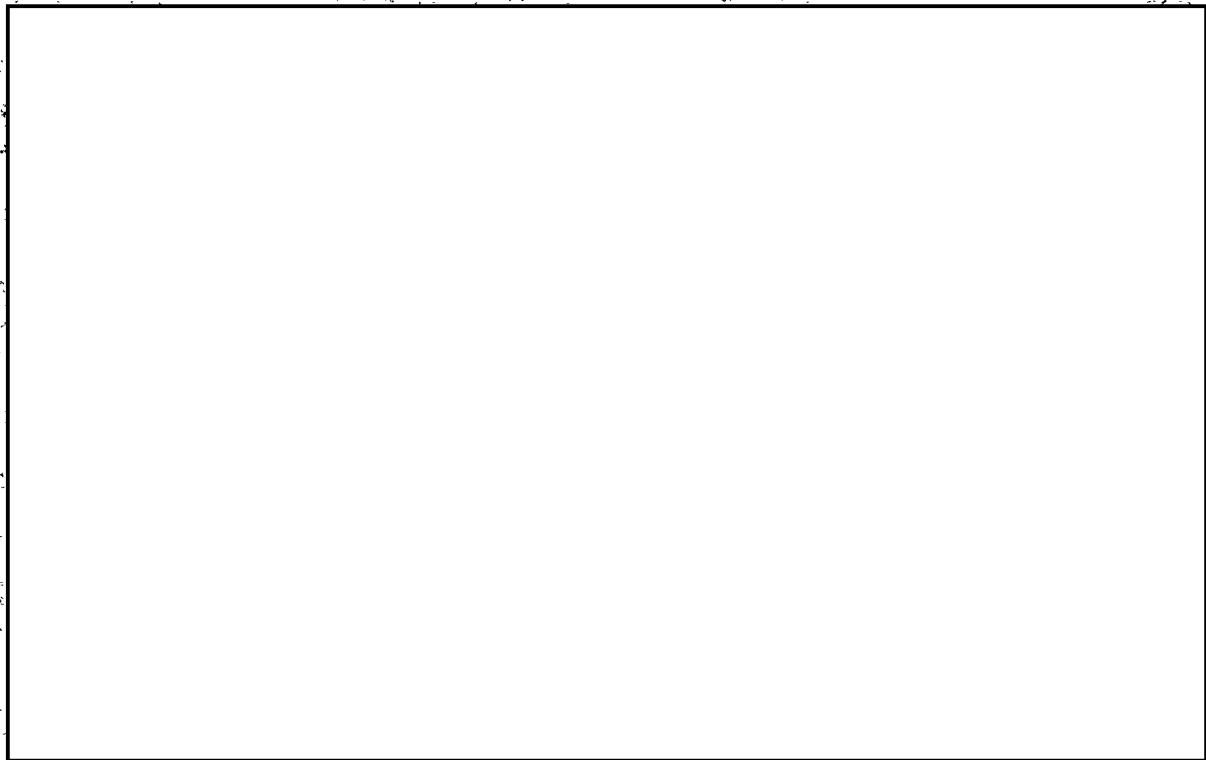
A review of the foregoing documents reveals that the first document, filed under Fee Number 92368, was executed on November 6, 1969 and was issued on December 30, 1969 listing IRVIN J. KAHN as the sole stockholder in Marietta Hot Springs. The second document, filed under Fee Number 64352, was executed on September 23, 1971 and issued on January 20, 1972. This second document purports that MORRIS A. SIENKER received half interest in Marietta Hot Springs on April 21, 1970.

SL 156-20

VII. Miscellaneous Investigation

AT ST. LOUIS, MISSOURI

On November 17, 1972, Strike Force Attorney []
[] advised that the following [] were
being subpoenaed by a Federal Grand Jury for the Eastern
District of Missouri:



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**VIII. Opinion of Special Attorney of United States
Department of Justice, Organized Crime Strike Force**

On October 3, 1972, preliminary discussions
regarding this matter were held between Special Agent
[] and Special Attorney []
of the United States Department of Justice Organized
Crime Strike Force at St. Louis, Missouri. During this
discussion, [] stated that if MORRIS SHENKER did in fact
receive half interest in property at Murietta Hot Springs from
IRVIN KAHN in return for negotiating loans for KAHN from the
Pipefitters Union Local 562 Welfare and Pension Funds, a
violation of Title 18, United States Code, Section 1954,
may exist. [] requested further investigation of this
matter.

b6
b7C

12/5/72

AIRTEL

TO: ACTING DIRECTOR, FBI (156-549)

FROM: SAC, SAN DIEGO (156-5) (P) - 20
- 156 - 21

MORRIS A. SHENKER, aka
Morrie Shenker,
Moe Shenker;
IRVIN JULIUS KAHN
dba Murietta Hot Springs
San Diego, California;
Pipefitters Union Local 562
Welfare and Pension Fund
St. Louis, Missouri
WPPDA
(OO: St. Louis)

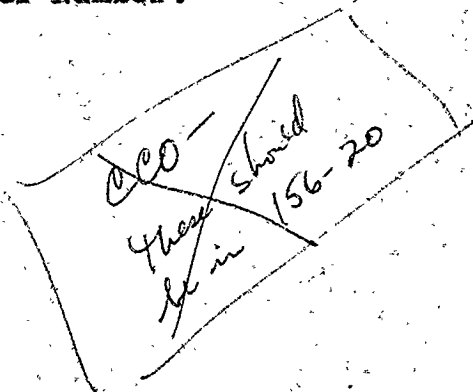
On 12/5/72, [redacted] Dunn & Bradstreet, 1271 Camino del Rio South, San Diego, California, advised that the FBI is a subscriber to Dunn & Bradstreet. [redacted] stated that he would furnish any information from Dunn & Bradstreet files and copies of any reports if the Dunn & Bradstreet Subscriber Number for the FBI was furnished. He stated he would be unable to furnish any information unless the Subscriber Number was provided to him.

San Diego Office has been unable to identify the FBI Subscriber Number ~~under~~ Dunn & Bradstreet in the files in the San Diego Office. *to*

the
The Bureau is requested to furnish Dunn & Bradstreet ~~the~~ Subscriber Number.

- 2- Bureau
- 2- St. Louis
- 2- San Diego

CJK/lkl
(6)



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b7C

Airtel

12/11/72

TO: SAC, San Diego (156-5)

FROM: For the Acting Director, FBI (156-549)

[REDACTED]
Acting Associate Director

MORRIS A. SHENKER, aka; ET AL.
WPPDA

ReSDairtel 12/5/72.

Account [REDACTED] is set forth on bills
submitted by Dunn and Bradstreet in connection with
charges for Bureau subscription.

① St. Louis (156-24)

156-20-41
48

SEARCHED INDEXED
SERIALIZED FILED
DEC 11 1972
FBI - ST. LOUIS

FEDERAL BUREAU OF INVESTIGATION

Date of transcription Jan. 8/73

A review was conducted of all bills and invoices received by the Pipefitters Union Local 562, 1242 Pierce, St. Louis, Missouri, for services rendered and goods sold to that Union for the period between January 1, 1970 and September 30, 1972 inclusive. This review revealed the existence of the following items:

(1) On January 6, 1970, a letter was addressed to the Union from the law firm of MORRIS A. SHENKER reading, "Enclosed is a bill for the space being used to store the Union's records. MORRIS SHENKER has been using part of the space. Please pay half of the bill, \$112.50. Thank you." Attached to this letter is a bill from Vittert Construction and Investment Company, 408 Olive Street, St. Louis, Missouri, charging \$225 rent for room 811 for the period of October, 1969 to December, 1969.

(2) On April 7, 1970, a letter was received by the Union from the law firm of MORRIS A. SHENKER reading, "Please pay half of this bill (\$112.50) for space wherein your Union records are stored." Attached to this letter is a bill from Vittert Construction and Investment Company charging \$225 rent for room 811 from January, 1970 to March 31, 1970.

(3) On July 3, 1970, the Union received a bill from [redacted] Attorney at Law, for legal services in the amount of \$15037.50.

(4) On July 14, 1970, the Union received a letter from the law firm of MORRIS A. SHENKER reading, "I am enclosing a copy of a bill for rent on your portion of room 811 from April 1, 1970 to June 30, 1970. Union records are stored in one of these two rooms. I would appreciate it if you would pay enclosed bill." Attached to this letter are two bills from Vittert Construction and Investment Company in the amount of \$112.50 each for rental on room 811 between April 1, 1970 and September 3, 1970.

Interviewed on 1/3/73 at St. Louis, Missouri File # SL 156-20 - 72
by SA [redacted] :ls1 Date dictated 1/4/73

SL 156-20

(5) On April 5, 1971, a letter was received by the Union from the law firm of MORRIS A. SHENKER reading, "Enclosed is a bill for your portion of the rental on the rooms where the Union's records are stored. Please pay this." Attached to this letter is a bill from Vittert Construction and Investment Company in the amount of \$112.50 for rental on room 811 for the period between April 1, 1971 and June 30, 1971.

(6) On July 12, 1971, a letter was addressed to the Union from [redacted] Attorney At Law, billing the Union for \$10837.50 for professional services rendered between July 1, 1970 and June 30, 1971.

(7) An undated bill from Vittert Construction and Investment Company charging \$112.50 rental on room 811 for the period between January 1, 1972 and March 31, 1972.

(8) On April 10, 1972, a letter was addressed to the Union from [redacted] Attorney At Law, billing the Union in the amount of \$13462.50 for professional services rendered between July 1, 1971 and March 30, 1972.

(9) On September 10, 1970, a letter was addressed to the Union from the MORRIS A. SHENKER law firm reading, "Enclosed you will find a bill from the St. Louis Law Printing Company in the amount of \$175.80. This expense was incurred by this office when we prepared and printed the 50 copies of Appellant's Petition For Rehearing By The Court En Banc. Will you please have a check drawn made payable to St. Louis Law Printing Company in the amount of \$175.80? Please notify me that the bill is paid or you may forward the check to me and I will see to it that it gets to St. Louis Law Printing. If you have any questions, call either myself. [redacted] or Mr. SHENKER. Very truly yours, [redacted] Attached to this letter is a bill from St. Louis Law Printing Company for \$175.80.

(10) On September 22, 1970, a letter was addressed to the Union from the law offices of MORRIS A. SHENKER forwarding a bill from the St. Louis Law Printing Company in the amount of \$100.18.

SL 156-20

(11) On December 22, 1970, a letter was addressed to the Union from the law offices of MORRIS A. SHENKER forwarding a bill from St. Louis Law Printing Company in the amount of \$78.03. Attached to this letter is the bill from St. Louis Law Printing Company in the amount of \$78.03. This bill is addressed to "Mr. Morris A. Shenker, Attorney at Law, 408 Olive Street, St. Louis, Missouri 63102."

(12) On February 1, 1971, a letter was addressed to the Union from the MORRIS A. SHENKER law offices forwarding a bill from St. Louis Law Printing Company in the amount of \$1257.70. Attached to this letter is a bill from St. Louis Law Printing Company in the amount of \$1257.70 addressed to "Mr. Morris A. Shenker, Attorney at Law, 408 Olive Street, St. Louis, Missouri 63102."

(13) On December 3, 1971, a letter was addressed to the Union from the law offices of MORRIS A. SHENKER forwarding two bills from St. Louis Law Printing Company. The first bill is dated November 15, 1971 and is in the amount of \$12637.85 and is addressed to "Pipefitters Local Union #562, St. Louis, Missouri, c/o Morris A. Shenker, Attorney at Law, 408 Olive Street, St. Louis, Missouri." The second bill is identically addressed and is dated November 24, 1971 in the amount of \$4058.15.

(14) On March 15, 1972, a letter was addressed to the Union from the law offices of MORRIS A. SHENKER forwarding bill from the St. Louis Law Printing Company in the amount of \$235.61. Attached to this letter is the bill from St. Louis Law Printing Company in that amount which is addressed to "Mr. Morris A. Shenker, Attorney at Law, 408 Olive Street, St. Louis, Missouri 63102."

St. Louis, Missouri

January 8, 1973

[redacted]
Attorney-in-Charge
Organized Crime and Racketeering Section
U.S. Department of Justice
Room 401
1114 Market Street
St. Louis 1, Missouri

Dear [redacted]

Enclosed for your perusal is one copy each of two investigative reports compiled by the St. Louis Division of the Federal Bureau of Investigation. These reports reflect investigation of possible violations of Title 18, U.S. Code, Section 1954 by the St. Louis Attorney Morris A. Shenker.

Due to the national prominence of Shenker, this investigation is being conducted as discreetly as possible.

It is therefore requested that your office handle the enclosed reports in a confidential manner and not disseminate same to any other agencies at this time.

Very truly yours,

ROBERT G. KUNKEL
Special Agent in Charge

Enclosures 2

1 - Addressee
2 - St. Louis (1 - 156-20)
(1 - 156-21)

TRP:ck
(3)

156-20-43
SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

St. Louis, Missouri

January 8, 1973

[Redacted]
U. S. Attorney
Eastern District of Missouri
St. Louis, Missouri

Dear [Redacted]

Enclosed for your perusal is one copy each of two investigative reports compiled by the St. Louis Division of the Federal Bureau of Investigation. These reports reflect investigation of possible violations of Title 18, U.S. Code, Section 1954 by St. Louis Attorney Morris A. Shenker.

Due to the national prominence of Shenker, this investigation is being conducted as discreetly as possible.

It is therefore requested that your office handle the enclosed reports in a confidential manner and not disseminate same to any other agencies at this time.

Very truly yours,

ROBERT G. KUNKEL
Special Agent in Charge

Enclosures 2

1 - Addressee
2 - St. Louis (1 - 156-20)
(1 - 156-21)

TRP:ck
(3)

156-20-44
SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

156-20-45

SEARCHED	INDEXED
SERIALIZED	FILED

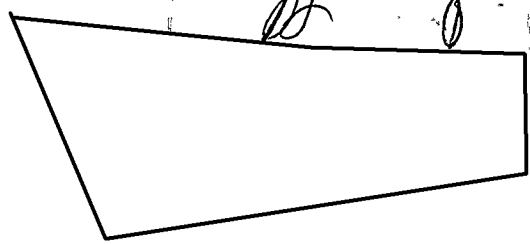
[Handwritten marks: a large 'X' over the first two boxes, and a circle around the 'FILED' box]

~~92-44-513~~
SERIALIZED gl
INDEXED _____
FILED gl

b6
b7C

156-20-46

19 0



F B I

Date: 12/13/72

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL AIRMAIL
(Priority)

TO: ACTING DIRECTOR, FBI (92-12803)

FROM: SAC, SAN DIEGO (92-1007) (P)

b6
b7C

[REDACTED]
 INVITATIONAL GOLF TOURNAMENT
 10/25 - 29/72
 LA COSTA COUNTRY CLUB
 CARLSBAD, CALIFORNIA
 AR
 (OO: San Diego)

Enclosed for the Bureau and each receiving office
 is [REDACTED]

b7D

For information of the Bureau and receiving offices, this is believed to be the fourth year for this tournament which is held at the La Costa Country Club, it being noted that the Teamsters Pension Fund has several million dollars in loans outstanding in the promotion and development of this plush resort and surrounding property.

b6
b7C

[REDACTED] all formerly affiliated with the Desert Inn and Stardust Hotels in Las Vegas, are the principals in the operation and development of this property.

2 - Bureau (Enc. 1)	2 - Indianapolis (Enc. 1)
2 - Alexandria (Enc. 1)	2 - Las Vegas (Enc. 1)
2 - Atlanta (Enc. 1)	2 - Los Angeles (Enc. 1)
2 - Baltimore (Enc. 1)	2 - Louisville (Enc. 1)
2 - Buffalo (Enc. 1)	2 - Miami (Enc. 1)
2 - Chicago (Enc. 1)	2 - Milwaukee (Enc. 1)
2 - Cleveland (Enc. 1)	2 - Minneapolis (Enc. 1)
2 - Dallas (Enc. 1)	2 - Mobile (Enc. 1)
2 - Detroit (Enc. 1)	2 - Newark (Enc. 1)

(copies cont'd next page)

3 - San Diego

FCW:llw

(67)

156-20
 92-441

Approved: _____

Sent _____

M

Per _____

Special Agent in Charge

SD 92-1007

[redacted] was made available to SA [redacted]
in the strictest confidence by [redacted]
[redacted] who obtained it from a
informant at [redacted]. He has requested
confidential and discreet use of [redacted] so his source
at [redacted] will not be compromised. Therefore requested
no dissemination outside the Bureau at this time.

[redacted]

LEADS

ALL OFFICES

No active investigation requested; however, receiving
offices are requested to advise of any unusual association
from a review of indices and - or discreet sources.

Copies Continued


- 2 - New Orleans (Enc. 1)
- 2 - New York (Enc. 1)
- 2 - Oklahoma City (Enc. 1)
- 2 - Omaha (Enc. 1)
- 2 - Philadelphia (Enc. 1)
- 2 - Phoenix (Enc. 1)
- 2 - Richmond (Enc. 1)
- (2) - St. Louis (Enc. 1)
- 2 - San Francisco (Enc. 1)
- 2 - Savannah (Enc. 1)
- 2 - Seattle (Enc. 1)
- 2 - Tampa (Enc. 1)
- 2 - Washington Field Office (Enc. 1)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/10/73

A review was conducted of all bank statements and cancelled checks of the Pipe-Fitters Union, Local 562, 1242 Pierce, St. Louis, Missouri, for expenditures of that union between October, 1967 and September, 1972. This review revealed the existence of the following cancelled checks:

Check Number	Date	Payee	Amount
1	1/1/78	ABC COMPANY	100.00
2	1/2/78	DEF COMPANY	200.00
3	1/3/78	GHI COMPANY	300.00
4	1/4/78	JKL COMPANY	400.00
5	1/5/78	MNO COMPANY	500.00
6	1/6/78	PQR COMPANY	600.00
7	1/7/78	STU COMPANY	700.00
8	1/8/78	VWX COMPANY	800.00
9	1/9/78	YZA COMPANY	900.00
10	1/10/78	BCD COMPANY	1000.00
11	1/11/78	EFG COMPANY	1100.00
12	1/12/78	HIJ COMPANY	1200.00
13	1/13/78	KLM COMPANY	1300.00
14	1/14/78	NOP COMPANY	1400.00
15	1/15/78	QRS COMPANY	1500.00
16	1/16/78	TUV COMPANY	1600.00
17	1/17/78	WXY COMPANY	1700.00
18	1/18/78	ZAB COMPANY	1800.00
19	1/19/78	BCD COMPANY	1900.00
20	1/20/78	EFG COMPANY	2000.00
21	1/21/78	HIJ COMPANY	2100.00
22	1/22/78	KLM COMPANY	2200.00
23	1/23/78	NOP COMPANY	2300.00
24	1/24/78	QRS COMPANY	2400.00
25	1/25/78	TUV COMPANY	2500.00
26	1/26/78	WXY COMPANY	2600.00
27	1/27/78	ZAB COMPANY	2700.00
28	1/28/78	BCD COMPANY	2800.00
29	1/29/78	EFG COMPANY	2900.00
30	1/30/78	HIJ COMPANY	3000.00
31	1/31/78	KLM COMPANY	3100.00
32	2/1/78	NOP COMPANY	3200.00
33	2/2/78	QRS COMPANY	3300.00
34	2/3/78	TUV COMPANY	3400.00
35	2/4/78	WXY COMPANY	3500.00
36	2/5/78	ZAB COMPANY	3600.00
37	2/6/78	BCD COMPANY	3700.00
38	2/7/78	EFG COMPANY	3800.00
39	2/8/78	HIJ COMPANY	3900.00
40	2/9/78	KLM COMPANY	4000.00
41	2/10/78	NOP COMPANY	4100.00
42	2/11/78	QRS COMPANY	4200.00
43	2/12/78	TUV COMPANY	4300.00
44	2/13/78	WXY COMPANY	4400.00
45	2/14/78	ZAB COMPANY	4500.00
46	2/15/78	BCD COMPANY	4600.00
47	2/16/78	EFG COMPANY	4700.00
48	2/17/78	HIJ COMPANY	4800.00
49	2/18/78	KLM COMPANY	4900.00
50	2/19/78	NOP COMPANY	5000.00
51	2/20/78	QRS COMPANY	5100.00
52	2/21/78	TUV COMPANY	5200.00
53	2/22/78	WXY COMPANY	5300.00
54	2/23/78	ZAB COMPANY	5400.00
55	2/24/78	BCD COMPANY	5500.00
56	2/25/78	EFG COMPANY	5600.00
57	2/26/78	HIJ COMPANY	5700.00
58	2/27/78	KLM COMPANY	5800.00
59	2/28/78	NOP COMPANY	5900.00
60	2/29/78	QRS COMPANY	6000.00
61	3/1/78	TUV COMPANY	6100.00
62	3/2/78	WXY COMPANY	6200.00
63	3/3/78	ZAB COMPANY	6300.00
64	3/4/78	BCD COMPANY	6400.00
65	3/5/78	EFG COMPANY	6500.00
66	3/6/78	HIJ COMPANY	6600.00
67	3/7/78	KLM COMPANY	6700.00
68	3/8/78	NOP COMPANY	6800.00
69	3/9/78	QRS COMPANY	6900.00
70	3/10/78	TUV COMPANY	7000.00
71	3/11/78	WXY COMPANY	7100.00
72	3/12/78	ZAB COMPANY	7200.00
73	3/13/78	BCD COMPANY	7300.00
74	3/14/78	EFG COMPANY	7400.00
75	3/15/78	HIJ COMPANY	7500.00
76	3/16/78	KLM COMPANY	7600.00
77	3/17/78	NOP COMPANY	7700.00
78	3/18/78	QRS COMPANY	7800.00
79	3/19/78	TUV COMPANY	7900.00
80	3/20/78	WXY COMPANY	8000.00
81	3/21/78	ZAB COMPANY	8100.00
82	3/22/78	BCD COMPANY	8200.00
83	3/23/78	EFG COMPANY	8300.00



Interviewed on 1/9/73 at St. Louis, Missouri File # SL 156-20-47
by SA [redacted] :ck Date dictated 1/10/73

Amount

SL 156-20

[redacted] Further examination of the above described check
dated December 31, 1970 payable to [redacted]
[redacted] in the amount of [redacted]
revealed that the back of the check bears the signatures
[redacted]

[redacted] A bank stamp on the rear of the check reveals that
it was deposited at the First National Bank in St. Louis on
January 2, 1971.

Route Slip
0-7 (Rev. 4-28-72)

(Copies to Offices Checked)

TO: SAC:

☐ Albany
☐ Albuquerque
☐ Alexandria
☐ Anchorage
☐ Atlanta
☐ Baltimore
☐ Birmingham
☐ Boston
☐ Buffalo
☐ Butte
☐ Charlotte
☐ Chicago
☐ Cincinnati
☐ Cleveland
☐ Columbia
☐ Dallas
☐ Denver
☐ Detroit
☐ El Paso
☐ Honolulu

☐ Houston
☐ Indianapolis
☐ Jackson
☐ Jacksonville
☐ Kansas City
☐ Knoxville
☐ Las Vegas
☐ Little Rock
☐ Los Angeles
☐ Louisville
☐ Memphis
☐ Miami
☐ Milwaukee
☐ Minneapolis
☐ Mobile
☐ Newark
☐ New Haven
☐ New Orleans
☐ New York City
☐ Norfolk

☐ Oklahoma City
☐ Omaha
☐ Philadelphia
☐ Phoenix
☐ Pittsburgh
☐ Portland
☐ Richmond
☐ Sacramento
☒ St. Louis
☐ Salt Lake City
☐ San Antonio
☐ San Diego
☐ San Francisco
☐ San Juan
☐ Savannah
☐ Seattle
☐ Springfield
☐ Tampa
☐ Washington Field
☐ Quantico

TO LEGAT:

☐ Beirut
☐ Bern
☐ Bonn
☐ Brasilia
☐ Buenos Aires
☐ Caracas
☐ Copenhagen
☐ Hong Kong
☐ La Paz
☐ London
☐ Madrid
☐ Managua
☐ Manila
☐ Mexico City
☐ Ottawa
☐ Paris
☐ Rome
☐ Singapore
☐ Tel Aviv
☐ Tokyo

RE: *Morris A. Shenker, aka* Date 1/9/72
Movie Shenker, Mae Shenker; Drwin
Julius Kahn dba Murietta Hot Springs
San Diego Calif.; Pipefitters Local 562
Welfare and Pension Fund SLMO
WPPDA

☐ For information ☐ Retention optional ☐ For appropriate action ☐ Surep, by _____
☐ The enclosed is for your information. If used in a future report, ☐ conceal all sources, ☐ paraphrase contents.
☐ Enclosed are corrected pages from report of SA _____ dated _____.

Remarks:

ReBulet to SAC San Diego dated
12-11-72 (CC SL) quoting Bufile #
156-549. The correct Bufile # for above
captioned case is 156-557.

156-20 48

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 12 1972	
SAINT LOUIS	

Enc.

Bufile 156-557

Urfile 156-20

(over)

The subject of Bufile 156-549
is as follows:

MORRIS A. Shenker aka,
dba American Motor Inns, Inc.
Roanoke, Virginia; Teamsters
Union Central States - Southeast
and Southwest Areas Pension
Fund, Chicago Illinois
WPPDA

OO: SL unfile 156-21

Post Office Drawer 7251, Main Station
St. Louis, Missouri
January 12, 1973

[redacted]
Attorney In Charge
Organized Crime and Racketeering Section
U.S. Department of Justice
401 U.S. Court House and Customs House
1114 Market Street
St. Louis, Missouri 63101

Dear [redacted]

RE: MORRIS A. SHENKER;
IRVIN JULIUS KAHN;
PIPEFITTERS UNION
LOCAL 562;
WELFARE AND PENSION
PLANS DISCLOSURE ACT

As you are aware, the St. Louis Division of the Federal Bureau of Investigation is presently conducting an extensive investigation surrounding the above captioned matter. A pertinent part of this investigation involves the proving of an attorney-client relationship between Morris A. Shenker and the Pipefitters Union, Local 562, of St. Louis, Missouri.

Investigation, to date, has indicated that [redacted] of Shenker's law firm handles most of the Pipefitters representation, however, Shenker's name does turn up from time to time as representing that union. Our investigation has also indicated that Shenker's law firm is apparently set up on an employer-employee basis wherein all of the other attorneys in the firm are employed by Shenker rather than being partners in the firm.

- 1 - Addressee
1 - St. Louis (156-20)

TRP:jet
(2)

jet

156-20-49
SEARCHED
SERIALIZED
INDEXED
FILED

It is respectfully requested that your office provide this office with an opinion as to the legal relationship involved in such a law firm between the lawyers. In particular, is one of the attorneys employed in the firm acting as an agent of Shenker or is he acting on his own when representing a client of the firm?

Very truly yours,

ROBERT G. KUNKEL
Special Agent in Charge

1/15/73

AIRTEL

AIRMAIL

TO: SAC, LOS ANGELES (156-76)
FROM: SAC, ST. LOUIS (156-20) (P)
SUBJECT: MORRIS A. SHENKER, aka;
IRVIN JULIUS KAHN;
PIPEFITTERS UNION
LOCAL 592
UPPDA
OO: ST. LOUIS
(Bufile: 156-957)

Re St. Louis report of SA [redacted] dated 1/5/73. Sacramento letter to St. Louis, dated 12/11/72, San Diego letter to St. Louis, dated 12/23/72, and Los Angeles letter to St. Louis, dated 11/14/72.

All offices should note new Bufile number reflected above.

A review of Dun & Bradstreet reports concerning IRVIN J. KAHN and MURZETTA HOT SPRINGS previously provided to St. Louis by San Diego reveals that KAHN was named as defendant in a civil suit filed on 2/25/70 in San Diego Superior Court under case #318831 by [redacted]. This law suit apparently involves KAHN's promise to [redacted] of his interest in a company called Panas-Quito Corp. [redacted] apparently alleged in that suit that he was solicited by KAHN to secure loans from the Teamsters Union Pension Fund through MORRIS SHENKER. KAHN apparently failed to honor his promise to [redacted] and the suit resulted.

- 2 - Los Angeles
- 2 - San Diego (156-5)
- 2 - WFO (156-57)
- 2 - Sacramento (92-649)
- ② - St. Louis

TRP:jct
(10)

jet

156-20-50

SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

SL 156-20

A review of the liquor licensing applications for Marietta Hot Springs obtained from the California State Alcoholic Beverage Control Board (ABC) in Sacramento, California revealed that financial statements for Marietta Hot Springs dated 2/28/70 and 5/31/71, as well as a financial statement of SHENKER dated 6/1/70, are all on file with ABC in their file #43523.

A review was recently conducted of the files of the records of the Pipefitters Union Local 532 at St. Louis, Missouri. This review revealed, among other things, a letter to the union from the law firm of O'DONOGHUE and O'DONOGHUE, 1912 Snoderland Place, N.W., Washington, D.C., 20036, dated 3/24/72, wherein that law firm forwarded a bill to the union for services rendered pursuant to Supreme Court case #70-74, "Pipefitters Union Local #532, et al". The letter is signed by [REDACTED]

Preliminary investigation in this matter has indicated that the MORRIS SHENKER law firm of St. Louis was the major attorney for the union in its appeal to the Supreme Court.

LEADS:

All receiving offices are requested to conduct requested investigation in expeditious manner due to the fact that 30-day reports must be submitted by office of origin to the Bureau. All requested investigation should be forwarded to St. Louis in a form suitable for inclusion in a report.

SAN DIEGO DIVISION

AT SAN DIEGO, CALIFORNIA

Will, at San Diego Superior Court, obtain a copy of complaint and disposition of case in the law suit filed against KAHN by [REDACTED] described above.

SL 100-20

LOS ANGELES DIVISION

AT RIVERSIDE, CALIFORNIA

Will, at the Riverside County Records Office, obtain copies of documents previously reviewed on 12/5/72 regarding Marietta Hot Springs. A list of these documents is set out on pages 67, 68 and 69 of referenced report.

SACRAMENTO DIVISION

AT SACRAMENTO, CALIFORNIA

Will, at the offices of the AUC, obtain copies of the financial statements showing MORRIS SHENKIN and Marietta Hot Springs described above.

WFO DIVISION

AT WASHINGTON, D.C.

Will interview [redacted] of the O'DONOGHUE and O'DONOGHUE law firm and determine who retained their firm to represent the Pipefitters Union Local 552.

Will also determine his knowledge of the role being played by MORRIS A. SHENKIN or his law firm in the Pipefitters matter.

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, St. Louis

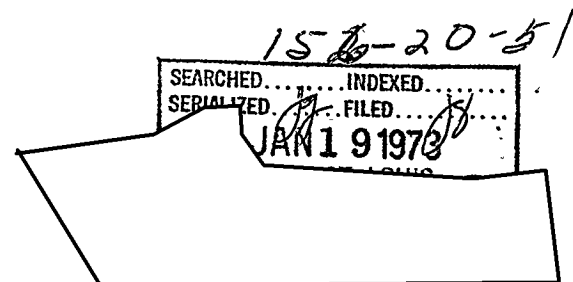
DATE: 1/17/73

FROM : Acting Director, FBI

SUBJECT: IRVIN JULIUS KAHN, aka;
MORRIS A. SHENKER;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUND
ST. LOUIS, MISSOURI
WPPDA
BUFILE 156-557
SLFILE 156-20

MORRIS A. SHENKER, aka;
[REDACTED] ETC;
TEAMSTERS UNION CENTRAL STATES
SOUTHEAST AND SOUTHWEST AREAS
PENSION FUND
CHICAGO, ILLINOIS
WPPDA
BUFILE 156-549
SLFILE 156-21

St. Louis note correct Bufile numbers and captions
of cases set forth above which should be utilized in the
future.



1/22/73

AIRTEL

TO: SAC, LOS ANGELES (156-76)

FROM: SAC, ST. LOUIS (156-20) P

IRVIN JULIUS KAHN, aka;
MORRIS A. SHENKER;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUND
ST. LOUIS, MISSOURI
WPPDA
BUFILE 156-557
SL FILE 156-20

MORRIS A. SHENKER, aka
[redacted] ETC;

TEAMSTERS UNION CENTRAL STATES
SOUTHEAST AND SOUTHWEST AREAS
PENSION FUND
CHICAGO, ILLINOIS
WPPDA
BUFILE 156-549
SL FILE 156-21

Re St. Louis report of SA [redacted] dated
1/5/73 and St. Louis airtel to Los Angeles dated 1/15/73.

- 5 - Los Angeles
- 5 - San Diego (156-5)
- 4 - San Francisco (156-43)
- 2 - Sacramento (92-645)
- 2 - WFO (156-57)
- 2 - New York (92-7158)
- 2 - St. Louis
 - (1 - 156-20)
 - (1 - 156-21)

TRP:vlm
(22)

156-20-52
SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

SL 156-20

For information of New York, your office has conducted prior investigation regarding MORRIS A. SHENKER under your file NY 92-7158.

A review of long distance telephone calls charged to the various telephones utilized by MORRIS A. SHENKER at St. Louis has revealed extensive interstate telephone activity.

LEADS

All receiving offices will determine subscribers to below listed telephone numbers within your respective divisions and will thereafter review office indices for any reference to same with a view towards determining any hoodlum affiliations. Submit results in form suitable for report.

THE LOS ANGELES DIVISION

AT BEVERLY HILLS, CALIFORNIA:

AT BUENA PARK, CALIFORNIA:

AT INGLEWOOD, CALIFORNIA:

AT LOMITA, CALIFORNIA:

AT MALIBU, CALIFORNIA:

SL 156-20

AT MONTE BELLO, CALIFORNIA:

[REDACTED]

AT MURIETTA, CALIFORNIA:

[REDACTED]

AT PALM SPRINGS, CALIFORNIA:

[REDACTED]

AT POMONA, CALIFORNIA:

[REDACTED]

AT REDONDO, CALIFORNIA:

[REDACTED]

AT RIVERSIDE, CALIFORNIA:

[REDACTED]

AT SANTA BARBARA, CALIFORNIA:


[REDACTED]

AT SANTA MONICA, CALIFORNIA:

[REDACTED]

SL 156-20

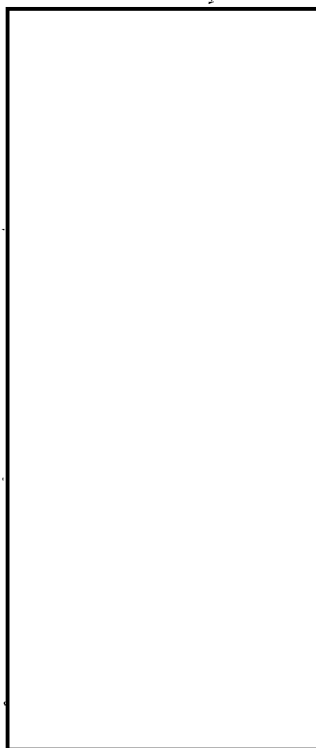
AT VAN NUYS, CALIFORNIA:

A small rectangular box, likely redacting information.

AT VENTURA, CALIFORNIA:

A small rectangular box, likely redacting information.

AT LOS ANGELES, CALIFORNIA:

A large rectangular box, likely redacting a significant portion of the document.

THE SAN DIEGO DIVISION

AT LA JOLLA, CALIFORNIA:

A rectangular box, likely redacting information.

SL 156-20

AT NATIONAL CITY, CALIFORNIA:

[REDACTED]

AT OCEANSIDE, CALIFORNIA:

[REDACTED]

AT SAN DIEGO, CALIFORNIA:

[REDACTED]

THE SAN FRANCISCO DIVISION

AT APTOS, CALIFORNIA:

[REDACTED]

AT SAN JOSE, CALIFORNIA:

[REDACTED]

AT SAN FRANCISCO, CALIFORNIA:

[REDACTED]

THE SACRAMENTO DIVISION

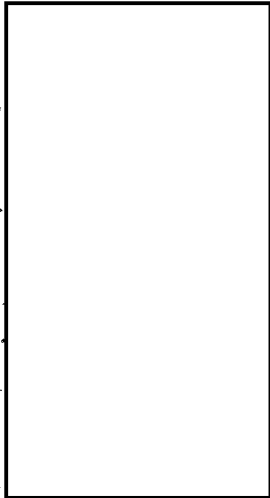
AT SACRAMENTO, CALIFORNIA:

[REDACTED]

SL 156-20

THE WFO DIVISION

AT WASHINGTON, D. C.:



THE NEW YORK DIVISION

AT BINGHAMTON, NEW YORK:



SAC, ST. LOUIS [REDACTED]

1-23-73

SA [REDACTED]
[REDACTED]

Informant was contacted on 1-5-73 and 1-22-73 and provided the following information:

MORRIS A. SHENKER;
IRVIN J. KAHN;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUNDS
WPPDA
SL 156-20

MORRIS A. SHENKER;
[REDACTED]

TEAMSTERS UNION CENTRAL STATES PENSION FUND
WPPDA
SL 156-21

Informant advised that MORRIS SHENKER is currently utilizing the following telephone numbers in [REDACTED]

[REDACTED] Informant
advised that most of these phone calls currently pertain

[REDACTED] SHENKER and KAHN discuss the methods through

3 - St. Louis

1 - [REDACTED]
1 - 156-20
1 - 156-21

TRP:ss

3

156 20 - 53

b6
b7C

b2
b7D

SL [REDACTED]

[REDACTED]
Informant also advised that [REDACTED]

b7D

ADMINISTRATIVE:

Informant was advised of areas of FBI jurisdiction as well as the fact that he was not to consider himself

SL

an employee of the Bureau and that he should keep his relationship to the Bureau confidential. He was advised that he should furnish information only to the Bureau; however, he should never contact the FBI Office personally. He was also advised that any payments made to him should be treated as income for tax purposes.

1/29/73

AIRTEL

TO: ACTING DIRECTOR, FBI (156-557)
FROM: SAC, ST. LOUIS (156-20) (P)
SUBJECT: IRVIN JULIUS KARN;
MORRIS A. SHENKER, aka;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUNDS,
ST. LOUIS, MISSOURI
WPPDA
OO: SL

Re SL report of SA [REDACTED] 1/5/73.

Enclosed is one copy of a self-explanatory letter from SAC, St. Louis, to [REDACTED] Attorney-in-Charge of the St. Louis Strike Force.

The request made in the enclosed letter is considered essential to instant case and the reply thereto will determine the course of additional investigation.

[REDACTED] advised on 1/26/73 that the formal reply to the letter would be handled at the Departmental level and would be addressed to the Acting Director.

Above being submitted for information purposes.

2 - Bureau (Enc. 1)
2 - St. Louis
TRP:ls1
(4)

ls1

[Handwritten signature]

156-20-54
SEARCHED
SERIALIZED
INDEXED
FILED

NR 07 SC CODE

2:19 PM URGENT 1/29/73 VLS

TO ST. LOUIS (156-20)
FROM SACRAMENTO (92-645) 1P

MORRIS A. SHENKER, AKA; IRVIN JULIUS KAHN; PIPEFITTERS UNION, LOCAL
562, WPPDA. 00: ST. LOUIS.

RE ST. LOUIS AIRTEL TO LOS ANGELES, 1/15/73.

THIS DATE, [REDACTED]

[REDACTED], ADVISED FINANCIAL STATEMENTS ARE
CONFIDENTIAL BY CALIFORNIA STATE STATUTE. [REDACTED] ADVISED HE WOULD

[REDACTED] ADVISED A SUBPOENA WOULD BE RESISTED NECESSITATING A
SUIT.

ST. LOUIS AT ST. LOUIS. WILL ADVISE SACRAMENTO IF REVIEW BY
BUREAU AGENT SHOULD BE CONDUCTED AS OUTLINED ABOVE, OR IF SUBPOENA
SHOULD BE ISSUED.

END

FBI SL JFK

CLEAR

Noted -

156-20-55-

[REDACTED]

F B I

Date: 1-29-73

Transmit the following in PLAIN
(Type in plaintext or code)Via TELETYPE NITEL
(Priority)

TO: SACRAMENTO (92-645)

FROM: ST. LOUIS (156-20) 1P P

MORRIS A . SHENKER, AKA; IRVIN JULIUS KAHN; ETC. WPPDA. OO: SL.

REURTEL 1-29-73.

b7D

[REDACTED]

[REDACTED] ASSURE ABSOLUTE CONFIDENTIALITY AND NO DISSEMINATION OUTSIDE BUREAU.

DETERMINE SOURCE OR PROCEDURE NECESSARY TO OBTAIN SAME SUITABLE FOR DISSEMINATION.

END

156-20-56

SEARCHED _____
SERIAL _____
INDEXED _____
FILED _____

R.A. [initials]

Approved: _____
Special Agent in ChargeSent SC 640 PM Per VD

(Mount Clipping in Space Below)

Riklis Drops Dunes Deal; New Interests May Purchase Stock

BY AL DELUGACH
Times Staff Writer

New York financier Meshulam Riklis has rescinded his planned purchase of 500,000 shares in Continental Connector Corp., owner of the Dunes Hotel on the Las Vegas Strip.

Nevada sources told The Times Monday that the move came after Riklis, chairman of Rapid-American Corp., New York, waged an unsuccessful effort to obtain effective control over the Dunes operation.

The shares reportedly will be sold to a group including Las Vegas banker E. Parry Thomas, St. Louis lawyer Morris Shenker and San Diego developer Irvin J. Kahn. Thomas, who is chairman of Continental Connector, New York, and Shenker have held stock interest in the firm for several years.

It was learned Monday that Shenker received a \$500,000 finder's fee in connection with the recent sale of the Aladdin Hotel in Las Vegas by Recreation Corp.

Six officers and employees of the Dunes casino are under federal charges, brought last December, that they conspired to skim funds from gambling profits and aided in preparing a false tax return for 1965.

Sydney Wyman, who had headed the casino operation many years and who was one of those indicted, was one of several persons whose shares in Continental Connector are being sold. His management contract also

was purchased, Nevada sources said.

Continental Connector and AITS Inc., a Boston-based tour packager whose major stockholder is Riklis, said Monday that an agreement has been made to rescind the purchase of the 500,000 shares by AITS announced in January.

As far back as September, 1970, Continental Connector was negotiating to sell the Dunes to Rapid-American.

Shenker, a long-time criminal defense attorney for James R. Hoffa, has been handling the protracted sale negotiations for the Dunes operators.

Continental said the 500,000 shares that were to go to AITS will be sold to the other group for the same average price of about \$18.50 a share.

Kahn, one of the purchasing group, has been associated with Shenker in ownership of Murietta Hot Springs resort in Riverside County, as well as in San Diego housing developments and other businesses.

Also in the purchasing

group is Jerome Mack, a vice president and director of Continental, as well as a banking associate of Thomas.

A major shareholder of Continental, James (Jake) Gottlieb, died in April. Gottlieb, a former Chicago trucking firm operator and friend of Hoffa, built the Dunes in 1965.

Control of the Dunes passed to Continental Connector, a publicly held firm, several years ago. The new management included Rollins Furbush and William Vogler, then top executives in American National Insurance Co., Galveston.

In December, 1969, the Securities & Exchange Commission halted an effort to take in another Las Vegas casino, the Golden Nugget. In March, 1970, a federal court in New York permanently enjoined Continental Connector from violations of the proxy and antifraud provisions of federal securities laws in connection with the Golden Nugget matter. Continental Connector consented without admitting any wrongdoing.

(Indicate page, name of newspaper, city and state.)

LOS ANGELES
"TIMES"

FINANCIAL
PAGE 10
PART 2

Date: 6/6/72
Edition:
Author:
Editor:
Title:

Character:
or
Classification:
Submitting Office:

☐ Being Investigated

156-20-57
783-5-10
SEARCHED INDEXED
SERIALIZED FILED
AUG 23 1972

92-235-10
SEARCHED INDEXED
SERIALIZED FILED
JUN 1972
SAN DIEGO

SAC (92-239)

3/5/63

SA [redacted]

IRVEN JULIUS KAHN
Result memo dated 1/27/63

The following is a summary of background, associates, and activities of KAHN:

Background -- KAHN was born 1/13/16 at Pittsburgh, Pennsylvania. He is the son of ABRAHAM JULIUS KAHN. The KAHN family moved to San Diego when IRVEN was six years old. He entered college at the age of 15. He took law at the University of Southern California, and in 1938 opened his own law office at the age of 22. His first real estate plunge was the purchase of a liquor store in 1932, which he parlayed into the Texas Liquor chain. His next venture was with LOUIS BEECHER of Los Angeles, with whom he formed the West Coast Development Corporation. A year later he abandoned law, closed his office and devoted his full time to real estate development business.

Associates -- At the present, KAHN's primary associates are persons he contacts in connection with his business enterprises. In August, 1962, [redacted] Half Moon Inn, Shelter Island, San Diego, advised that KAHN is a frequent associate of Las Vegas hoodlums who come to San Diego. KAHN arranges reservations for them at the Shelter Island Inn and the Half Moon Inn. He pointed out that he has made arrangements for reservations for [redacted] KAHN is stated to have received money from San Diego Mayor DINK and is said to have made considerable profit in a San Clemente Canyon deal with the city. This matter was investigated by County Grand Jury, but no indictments were forthcoming.

[redacted] who recently assumed a partnership and management position at the Stardust, Las Vegas, is considered to be KAHN's number one attorney.

KAHN is reportedly a close associate of HARRIS, a known San Diego hoodlum. Information received in

183-5-9-156-20-58

SEARCHED INDEXED
SERIALIZED FILED
AUG 28 1972

92-239-33

[redacted]

SD 92-239

1952 states that [redacted] forced KAHN to defend a man named [redacted]. Also, it is recorded that KAHN, during the early 1950s, was forced to represent other persons connected with the [redacted]. GIIIF information dated 1952 indicates that KAHN at that time was considered by local police authorities to be a "shyster lawyer", who had a record of representing hoodlums in both the lower and better classes. [redacted] Illegal Activities. GIIIF information discloses that KAHN, [redacted] and his father, together with other persons, started the Texas Liquor Stores, Inc. in 1943. The money for this chain of stores was reportedly obtained from a large fortune they made in the "black market" during the war.

In 1955, KAHN and [redacted] were reported of being suspected of selling tungsten concentrates imported from Mexico and representing them to be of U. S. origin.

In 1961 KAHN was allegedly tipped off by the San Diego City administration and was able to purchase some land known as the San Clemente Canyon land for \$2,000 per acre and turn around and sell the more desirable portion of it to the city for \$4,000 per acre. As set forth above, a Grand Jury investigation failed to return any indictments concerning this matter.

LE-6111061C
01/11/1977

KAHN's legitimate activities consist primarily of real estate development in which he has engaged full time for approximately the past five or six years. He is reportedly an officer on approximately 200 separate corporations. He follows the practice of incorporating each venture in which he engages. He is presently engaged in the development of a Senior Citizens' Community, North of San Diego, California, which is expected to cost \$150,000,000. He is building similar projects in Borrego Springs, California, and Honolulu, Hawaii. It is anticipated that residents of these cities will be able to spend approximately four months each year in each of the three places. He is also building a 15-story skyscraper type office building in downtown San Diego. In addition, KAHN also is engaged in the development of a housing project in San Francisco, California, which is estimated to consist of 930 apartment units which will cost \$30,000,000.

SD 92-239

SD 92-239

In the San Diego area, KAHN is associated with the Shelter Island Inn, Half Moon Inn, Sands Hotel, Circle Arts Theater, West Loma Development Corporation and University Cities, in addition to other minor ventures. Recent information states KAHN has gotten out of the Shelter Island Inn and Half Moon Inn Corporations, however, this has not been verified.

KAHN's meteoric rise to prominence in the real estate development field has presently placed him in a position where he has no difficulty obtaining finances for his ventures. His University Cities project is financed by Kirkeby Realty Company, Los Angeles, California. This company is known primarily as a hotel investment company and is apparently a legitimate company, however, there are contradictory reports in which it is alleged that hoodlum money is funneled into the Kirkeby Company for investments.

In 1961 KAHN and his associates considered building a housing project at Las Vegas, Nevada; however, upon surveying the situation it was decided not to do so.

KAHN reported to California tax authorities that he suffered a net loss of approximately \$19,000 as a result of his activities in 1961.

Investigation discloses that KAHN utilizes a rented chauffeur driven Cadillac for his personal transportation.

<u>Description</u>	<u>Date and Place</u>	1/13/16
	of Birth	Pittsburgh, Pennsylvania
	Height	5'5"
	Weight	179 pounds
	Race	White
	Sex	Male
	Nationality	American
	Hair	Brown
	Eyes	Brown
	Military Service	U. S. Army, 10/21/44 - 9/20/45 He was discharged "by reason of dependency".
	FBI No.	3915519

KAHN's record discloses one drunk arrest in Los Angeles in 1937 and traffic citations.

KAHN has been married three times; first wife deceased; second wife married 1948, divorced, 1950; present wife [redacted] married 1952. He has one child, [redacted]

31503

Journal of Management Inquiry 16(4)

THE UNIVERSITY OF CHICAGO PRESS

THE ...

1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

2. Once the problem is identified, the next step is to define the objectives and goals of the project. This helps to clarify what needs to be achieved and provides a clear direction for the work.

3. The third step is to develop a plan or strategy to address the problem. This involves breaking down the problem into smaller, manageable tasks and determining the resources needed to complete them.

4. The fourth step is to implement the plan. This involves putting the strategy into action and monitoring progress to ensure that the objectives are being met.

5. Finally, the fifth step is to evaluate the results of the project. This involves assessing the outcomes against the objectives and identifying any areas for improvement or further action.

[illegible]

Journal of Management Studies, 36(7), 809–826.

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (183-5)

FROM : *8/20* SAC, SAN DIEGO (183-3) (RUC)

DATE: 8/18/72



SUBJECT: TIFFANY INDUSTRIES INCORPORATED,
100 PROGRESS PARKWAY,
MARYLAND HEIGHTS, MISSOURI
RACKETEER INFLUENCED AND CORRUPT
ORGANIZATION

Reference St. Louis airtel to San Diego
7/5/72.

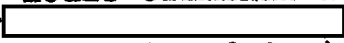
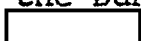
Enclosed for the St. Louis Office is a
copy of a memorandum dated 3/5/63 which sets out background
information concerning IRVIN JULIUS KAHN.

KAHN became a large land developer in the
San Diego area. Several years ago during the tight
money squeeze, KAHN was rescued from bankruptcy by
the Teamster Union Pension Fund for the Southeast and
Southwest Teamster Conference which is based in Chicago,
Illinois.

KAHN is known to be very close to MORRIS SHENKER
and is in partners with SHENKER in numerous business
ventures in the San Diego area.

  on 6/7/72 furnished the following
information:

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b7D

Informant advised that IRVIN KAHN and MORRIS
SHENKER (the St. Louis criminal attorney), along with
Las Vegas banker  had formed a syndicate to
purchase the Dunes Hotel and Casino in Las Vegas. SHENKER,
KAHN and  have been stockholders in the Dunes for
several years. Six officers and employees of the Dunes are
now under federal indictment for conspiracy to skim funds.

b6
b7C

②-St. Louis (Encls. *3*)
1-San Diego

LAW/asc
(3)

*Photo
Transferred
to 156-20*

156-20-59
183-5-11

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 23 1972	
FBI - ST. LOUIS	



5010-108

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

SD 183-3

Present operating manager of the Dunes, [redacted] (one of the persons indicted) is selling out his interest in the Dunes.

Informant advised that KAHN and SHENKER continue to purchase valuable real estate holdings throughout the San Diego and Riverside Counties.

[redacted] on 7/6/72, furnished the following information:

b2
b7D

The biggest loan reported in San Diego last month was \$94 million dollars to IRVIN J. KAHN's organization from the Teamster Union Pension Fund (Southeast-Southwest Conference, based in Chicago). This was part of a \$42 million dollar loan secured by property in several southern California counties. The San Diego County Recorder's Office was swamped with deeds involving the transactions, including about 200 which listed Penasquitos properties and about 600 court recordings which listed trust deeds in favor of Great Western mortgages and seconds in favor of Sports Arena, Incorporated. (Sports Arena, Incorporated, is headed by [redacted] of the IRVIN J. KAHN organization and includes St. Louis mobster and Teamster attorney MORRIS SHENKER who has taken the firm public and is said to be planning to move KAHN-SHENKER properties in San Diego County into the publicly-held corporation, Arena.

b6
b7C

Also enclosed for St. Louis is a copy of a newspaper clipping entitled "Riklis Drops Dunes Deal; New Interests May Purchase Stock"; and a photograph of IRVIN JULIUS KAHN.

FEDERAL BUREAU OF INVESTIGATION

Date January 26, 1973

Files maintained by the Clerk, Superior Court of the State of California for the County of San Diego, when reviewed on January 24, 1973, revealed a complaint for Declaratory Relief was filed on February 25, 1970, by attorneys for [redacted] as Plaintiff vs. IRVIN J. KAHN and [redacted] individually and doing business as THE IRVIN J. KAHN ORGANIZATION, THE PENASQUITOS CORPORATION, a corporation, doing business as RANCHO LOS PENASQUITOS, RANCHO LOS PENASQUITOS, DOE I-XX, Defendants.

The complaint in part alleges as follows:

"Commencing in or about 1947, plaintiff became actively engaged in various and extensive real estate ventures as an individual, as a partner in LOUIS LESSER ENTERPRISES, LTD., a limited partnership, and as an officer and shareholder in LOUIS LESSER ENTERPRISES, INC., a corporation. As a result of said activities, plaintiff acquired special knowledge and ability in obtaining financing for real estate ventures from various sources, including MORRIS SHENKER (hereinafter referred to as "SHENKER") and CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION FUND (hereinafter referred to as "THE FUND"). At all times mentioned herein, SHENKER was and is now an agent of THE FUND, authorized to obtain substantial loans and loan

On 1/24/73 at San Diego, California

File # SD 156-5

by SA [redacted] /gar

Date dictated 1/24/73

commitments from THE FUND or to influence the granting of substantial loans and loan commitments from THE FUND to parties designated by him.

Commencing in or about 1950, plaintiff became acquainted with defendant KAHN. Plaintiff thereafter as an individual, as a partner of said partnership, or as an officer and shareholder in said corporation, participated with defendant KAHN and his affiliate companies in numerous real estate ventures.

On or about and prior to April 29, 1965, each of the defendants herein owned an interest in a large acreage of unimproved real property commonly known as RANCHO LOS PENASQUITOS, located in the County of San Diego, hereinafter referred to as "said property", which property consisted of approximately 12,000 acres. Said defendants were then in dire need of funds to meet the financial commitments pertaining to said property and the improvement thereof. Defendant KAHN then recognized that said property was or would soon be subject of foreclosure. Defendant KAHN then recognized that it was imperative that substantial funds be obtained. Defendant KAHN then recognized that plaintiff in the past had obtained such funds from or through SHENKER and THE FUND, and each of them. Defendant KAHN then

recognized that plaintiff's ability to introduce and recommend KAHN to SHENKER, and to influence the granting of substantial loan commitments from THE FUND were matters of extreme value to KAHN and the KAHN AFFILIATE COMPANIES. On or about April 29, 1965, defendant KAHN importuned and solicited plaintiff's assistance in securing said funds from and through SHENKER and THE FUND, and orally made the following offer to plaintiff herein:

If plaintiff would introduce and recommend KAHN to SHENKER and loan commitments from THE FUND in sums totaling not less than \$6,000,000.00 were thereafter obtained, plaintiff would then be paid one-half of KAHN's "position" in said property, i.e., one-half of his ownership interest in THE PENASQUITOS CORPORATION, record owner of said property; that plaintiff and KAHN both anticipated that in order to obtain the necessary financing from THE FUND, it might be necessary to convey an equity interest in said property to THE FUND, and that plaintiff's one-half interest in said

property would be determined after this equity interest was determined and conveyed; that until that event, defendants, and each of them, would hold said one-half interest in trust for the sole use and benefit of plaintiff.

Plaintiff then and there accepted said offer.

On or about Wpril 29, 1965, plaintiff introduced and recommended KAHN to SHENKER. As a result thereof, defendants, and each of them, obtained said loan commitment from or through THE FUND in an amount exceeding \$6,000,000.00; thereafter, KAHN obtained further commitments from THE FUND for THE PENASQUITOS property, the amounts of which are well known to defendants but unknown to plaintiff, but plaintiff is informed and believes that these additional commitments from THE FUND for PENASQUITOS are in amounts in excess of \$50,000,000.00.

Plaintiff prays for a Judgment or Decree of this Court, as follows:

(1) Declaration of the legal rights and duties of the parties with respect to each other arising out of said contract;

SD 156-5

5

- (2) Dissolution of said partnership or joint venture and an accounting;
- (3) Specific performance of the terms of said contract;
- (4) The establishment of a resulting trust and an accounting;
- (5) Costs of suit incurred herein"

The records further reflect the following action having been taken in the matter on the dates indicated:

June 24, 1970

Stipulated Order Regarding
Production of Documents

Filed by attorneys for
defendant

Approved June 24, 1970,
by Judge, Superior Court

October 10, 1970

Notice of Motion and Motion
for Order for Production of
Documents, Points and
Authorities and Supporting
Declaration by [redacted]
[redacted]

November 13, 1970

Memo of Points and Authorities
in Opposition to Plaintiff's
Notice of Motion for Production
of Documents

Filed by attorneys for
defendant.

SD 156-5
6

November 17, 1970

Plaintiff's Motion for Order
for Production of Documents

"Granted as Prayed for"
by Judge, Superior Court

December 3, 1970

Notice of Order for
Production of Documents

Filed by attorneys for
plaintiff.

February 17, 1971

Notice of Motion for Order of
Reference, Severance and
Protective Orders

Filed by attorneys for
defendant.

March 10, 1971

Points and Authorities in
Opposition to Defendant's
Motion for Severance and
Protective Orders

Filed by attorneys for
plaintiff.

March 10, 1971

Notice of Motion and Motion
for Order for Production of
Documents, Points and Authorities
and Supporting Declaration
of

SD 156-5

7

March 26, 1971

Memo of Points and Authorities
in Opposition to Plaintiff's
Notice of Motion for Production
of Documents.

Filed by attorneys for
defendant

June 18, 1971

Order Regarding Production of
Documents and Protective
Orders

Filed by attorneys for
defendant

"Ordered that trial of the
issue of liability is severed
from and shall precede the
trial of the issue of damage.
Orders further that until
such time as the issue of
liability is fully tried and
resolved, plaintiffs shall not
be entitled to any form of
discovery pertaining to the
issue of damages.

"Further Order that plaintiff's
Motion for the Production of
Balance Sheets, Profit and
Loss Statements, Original
Journals and because of accounts
of PENASQUITOS CORPORATION and
subsidiaries for years 1965
through 1970 is denied".

August 2, 1971

Notice of Motion and Motion
for Order Imposing Sanctions
on Party for Wilful Failure
to Produce Documents Pursuant
to Previous Court Order

SD 156-5

8

October 19, 1971

Plaintiff's Motion for Order
Imposing Sanction denied
by Judge BONSALL NOON.

June 26, 1971

Substitution of Attorney
[redacted] in propria persona
for [redacted] and
[redacted]

Summons Issued - Copy retained

RIVERA & WALLACE

Attorneys at Law
9777 Wilshire Boulevard
Suite 518
Beverly Hills, California 90212
278-1600

Attorneys for Plaintiff

FILED
FEB 25 9 45 AM '70
R. E. JAMES, CLERK
DEPUTY

FEB-25 210736 2 316831 2 - C 1 3650

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

LOUIS LESSER,

Plaintiff,

- vs -

IRVIN J. KAHN and
individually and doing
business as THE IRVIN J. KAHN
ORGANIZATION, THE PENASQUITOS
CORPORATION, a corporation,
doing business as RANCHO LOS
PENASQUITOS, RANCHO LOS
PENASQUITOS, DOE I-XX,

Defendants.

NO.

316831

COMPLAINT
FOR
DECLARATORY RELIEF

Amendment Filed 5/14/70

Plaintiff is informed and believes, and thereon
alleges that:

FIRST CAUSE OF ACTION

1. The true names of defendants named herein by the
fictitious names of DOE I-XX, and each of them, are unknown to
plaintiff. Plaintiff therefore sues each of said defendants by
such fictitious names. The true capacities, whether individual,
associate, partnership, corporate, or otherwise, of defendants,
THE IRVIN J. KAHN ORGANIZATION, RANCHO LOS PENASQUITOS, and each
of them, are also unknown to plaintiff. Plaintiff will ask leave
to amend this pleading to state the true names and capacities of
said defendants after same have been ascertained. Each of said

156-20-61
SEARCHED INDEXED
SERIALIZED FILED

1 defendants is legally liable for the acts and omissions and damages
2 described herein.

3 2. At all times mentioned herein, defendants, and each
4 of them, were the agents of each other, acting within the scope
5 and course of said agency.

6 3. All references herein to KAHN refer to and include
7 IRVIN J. KAHN, acting in his individual capacity, and for and on
8 behalf of the remaining defendants herein, and each of them. At
9 all times mentioned herein, each of said remaining defendants were
10 the alter ego of KAHN.

11 4. Defendants, IRVIN J. KAHN and [REDACTED] are
12 residents of the County of San Diego, State of California. THE
13 IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION are
14 entities which have their principal place of business in the County
15 of San Diego, State of California.

16 5. Commencing in or about 1947, plaintiff became
17 actively engaged in various and extensive real estate ventures as
18 an individual, as a partner in LOUIS LESSER ENTERPRISES, LTD., a
19 limited partnership, and as an officer and shareholder in LOUIS
20 LESSER ENTERPRISES, INC., a corporation. As a result of said
21 activities, plaintiff acquired special knowledge and ability in
22 obtaining financing for real estate ventures from various sources,
23 including MORRIS SHENKER (hereinafter referred to as "SHENKER")
24 and CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION FUND
25 (hereinafter referred to as "THE FUND"). At all times mentioned
26 herein, SHENKER was and is now an agent of THE FUND, authorized
27 to obtain substantial loans and loan commitments from THE FUND or
28 to influence the granting of substantial loans and loan commitments
29 from THE FUND to parties designated by him.

30 6. Commencing in or about 1950, plaintiff became
31 acquainted with defendant KAHN. Plaintiff thereafter, as an
32 individual, as a partner of said partnership, or as an officer and

1 shareholder in said corporation, participated with defendant KAHN
2 and his affiliate companies in numerous real estate ventures.

3 7. On or about and prior to April 29, 1965, each of the
4 defendants herein owned an interest in a large acreage of un-
5 improved real property commonly known as RANCHO LOS PENASQUITOS,
6 located in the County of San Diego, hereinafter referred to as
7 "said property", which property consisted of approximately 12,000
8 acres. Said defendants were then in dire need of funds to meet
9 the financial commitments pertaining to said property and the
10 improvement thereof. Defendant KAHN then recognized that said
11 property was or would soon be subject to foreclosure. Defendant
12 KAHN then recognized that it was imperative that substantial funds
13 be obtained. Defendant KAHN then recognized that plaintiff in the
14 past had obtained such funds from or through SHENKER and THE FUND,
15 and each of them. Defendant KAHN then recognized that plaintiff's
16 ability to introduce and recommend KAHN to SHENKER, and to influ-
17 ence the granting of substantial loan commitments from THE FUND
18 were matters of extreme value to KAHN and the KAHN AFFILIATE
19 COMPANIES. On or about April 29, 1965, defendant KAHN importuned
20 and solicited plaintiff's assistance in securing said funds from
21 and through SHENKER and THE FUND, and orally made the following
22 offer to plaintiff herein:

23 If plaintiff would introduce and recommend KAHN
24 to SHENKER and loan commitments from THE FUND
25 in sums totaling not less than \$6,000,000.00
26 were thereafter obtained, plaintiff would then
27 be paid one-half of KAHN's "position" in said
28 property, i.e., one-half of his ownership in-
29 terest in THE PENASQUITOS CORPORATION, record
30 owner of said property; that plaintiff and KAHN
31 both anticipated that in order to obtain the
32 necessary financing from THE FUND, it might be

1 necessary to convey an equity interest in
2 said property to THE FUND, and that plain-
3 tiff's one-half interest in said property
4 would be determined after this equity interest
5 was determined and conveyed; that until that
6 event, defendants, and each of them, would
7 hold said one-half interest in trust for the
8 sole use and benefit of plaintiff.
9

10 8. Plaintiff then and there accepted said offer.

11 9. On or about April 29, 1965, plaintiff introduced
12 and recommended KAHN to SHENKER. As a result thereof, defendants,
13 and each of them, obtained said loan commitment from or through
14 THE FUND in an amount exceeding \$6,000,000.00; thereafter, KAHN
15 obtained further commitments from THE FUND for THE PENASQUITOS
16 property, the amounts of which are well known to defendants but
17 unknown to plaintiff, but plaintiff is informed and believes that
18 these additional commitments from THE FUND for PENASQUITOS are in
19 amounts in excess of \$50,000,000.00.

20 10. Upon the performance of the terms of said agreement,
21 as aforesaid, defendants, and each of them, held said one-half
22 interest in trust for the use and benefit of plaintiff.

23 11. On dates well known to defendants but not known to
24 plaintiff, said ownership participation of THE FUND was determined
25 and thereafter conveyed. Plaintiff first learned that THE FUND
26 was given a 25% interest in said property in partial consideration
27 for the delivery of said funds on or about September 12, 1969.

28 12. On or about September 12, 1969, plaintiff made
29 demand upon defendants, and each of them, for the delivery of said
30 one-half interest being held in trust, as aforesaid, and for an
31 accounting.

32 13. Said demands, and each of them, were refused by

1 defendants, and each of them.

2 14. Said property now has a fair market value in excess
3 of \$100,000,000.00. The fair market value of the equity of defend-
4 ants, and each of them, in said property, is not known to plaintiff
5 but well known to defendants, and each of them. Plaintiff will
6 ask leave of Court to amend this pleading to insert said amount of
7 the values after same have been ascertained.

8 15. An actual controversy has arisen between plaintiff
9 and defendants, as follows:

10 (a) Plaintiff contends that he is the owner of
11 said one-half interest; that said interest is and should be held
12 in trust for the use and benefit of plaintiff; that it should be
13 conveyed to him; that he is entitled to an accounting.

14 (b) Defendants, and each of them, deny said
15 contentions, and each of them, and contend that plaintiff has no
16 interest or right of ownership in said property or in the owner-
17 ship thereof, and is not entitled to an accounting.

18 *****

19 *****

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25 *****

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32 *****

1 16. A Decree or Judgment of this Court declaring and
2 defining the legal rights and duties of the parties with respect
3 to each other is required under the circumstances for the protec-
4 tion of the parties.

5
6 SECOND CAUSE OF ACTION

7 17. Plaintiff repeats, repleads and realleges each,
8 every and all of the allegations contained in Paragraphs 1, 2, 3,
9 4, 5, 6, 7, 8, 9 and 10 of the First Cause of Action of this
10 Complaint and incorporates same by this reference as though fully
11 set forth herein at length.

12 18. On or about April 29, 1965, plaintiff and defendants,
13 and each of them, entered into an oral partnership agreement at San
14 Diego, California, for the purpose of carrying on the business of
15 operating, maintaining and improving said property, under the firm
16 name and style of RANCHO DE LOS PENASQUITOS, with its principal
17 place of business at 3010 Cowley Way, San Diego, California.

18 19. Said partnership commenced business, and ever since
19 has been, and now is, operating said business at said address and
20 has acquired and now owns assets exceeding the value of
21 \$100,000,000.00.

22 20. Said defendants, and each of them, have carried on
23 a course of conduct in violation of said partnership agreement and
24 in violation of California Corporations Code §15031 and 15032,
25 which conduct and violations are as follows:

26 (1) The exclusion of plaintiff from participating
27 in any manner in the management of partnership interest;

28 (2) The refusal to keep accurate books of account
29 and knowingly causing false and inaccurate records of the company's
30 transactions so as to deprive plaintiff of his just share in the
31 profits and capital assets of said partnership;

32 (3) Failure to report the true income of said part-

1 nership to Federal and State authorities for income tax purposes.

2 21. As a result of said acts and conduct, said defendants,
3 and each of them, have breached said partnership agreement and
4 have otherwise made it impractical for the business of the partner-
5 ship to be carried on between the parties herein.

6 22. Plaintiff desires a dissolution of said partnership
7 and an accounting of the affairs of said partnership from the date
8 of its formation to the present time.

9
10 THIRD CAUSE OF ACTION

11 23. Plaintiff repeats, repleads and realleges each, every
12 and all of the allegations contained in Paragraphs 1, 2, 3, 4, 5,
13 6, 7, 8, 9 and 10 of the First Cause of Action of this Complaint and
14 incorporates the same by this reference as though fully set forth
15 at length.

16 24. On or about April 29, 1965, plaintiff and defendants,
17 and each of them, entered into an oral joint venture agreement at
18 San Diego, California, for the purpose of carrying on the business
19 of operating, maintaining and improving said property, under the
20 firm name and style of RANCHO DE LOS PENASQUITOS, with its prin-
21 cipal place of business at 3010 Cowley Way, San Diego, California.

22 25. Said joint venture commenced business, and ever
23 since has been, and now is, operating said business at said
24 address and has acquired and now owns assets exceeding the value
25 of \$100,000,000.00.

26 26. Said defendants, and each of them, have carried on
27 a course of conduct in violation of said joint venture agreement,
28 which conduct and violations are as follows:

29 (1) The exclusion of plaintiff from participating
30 in any manner in the management of joint venture interest;

31 (2) The refusal to keep accurate books of account
32 and knowingly causing false and inaccurate records of the

1 company's transactions so as to deprive plaintiff of his just
2 share in the profits and capital assets of said joint venture;

3 (3) Failure to report the true income of said
4 joint venture to Federal and State authorities for income tax
5 purposes.

6 27. As a result of said acts and conduct, said defend-
7 ants, and each of them, have breached said joint venture agreement
8 and have otherwise made it impractical for the business of the joint
9 venture to be carried on between the parties herein.

10 28. Plaintiff desires a dissolution of said joint ven-
11 ture and an accounting of the affairs of said joint venture from
12 the date of its formation to the present time.

13
14 FOURTH CAUSE OF ACTION

15 29. Plaintiff repeats, repleads and realleges each,
16 every and all of the allegations contained in Paragraphs 1, 2,
17 3, 4, 5, 6, 7, 8, 9 of the First Cause of Action of this Complaint
18 and incorporates same by this reference as though fully set forth
19 herein at length.

20 30. Defendants, and each of them, have repudiated the
21 obligations of said contract.

22 31. Plaintiff has performed all of the terms, covenants
23 and conditions on his part to be performed under said contract.

24 32. Plaintiff has no plain, speedy or adequate remedy
25 in the ordinary course of law, and damages, if awarded, cannot be
26 properly ascertained and will be inadequate to compensate plain-
27 tiff for the detriment suffered by him. The terms of said contract
28 should be specifically enforced by a Decree ordering that defend-
29 ants, and each of them, perform the terms of said contract.

30
31 FIFTH CAUSE OF ACTION

32 33. Plaintiff repeats, repleads and realleges each,

1 every and all of the allegations contained in Paragraphs 1, 2, 3,
2 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13 of the First Cause of Action of
3 this Complaint and incorporates same by this reference as though
4 fully set forth herein at length.

5 34. All conditions required for the termination of said
6 trust and the delivery of said property to plaintiff have occurred.

7 35. As a result of the refusal of defendants, and each
8 of them, to deliver said property to plaintiff, defendants have and
9 are converting said property to their own purpose and use.

10 36. Plaintiff has no plain, speedy or adequate remedy
11 in the ordinary course of law and damages, if awarded, cannot be
12 properly ascertained and will be inadequate to compensate plaintiff
13 for the detriment suffered by him.

14 37. In order to protect plaintiff's rights, a Decree is
15 required establishing a resulting trust wherein defendants, and
16 each of them, will be required to hold said property in trust for
17 the benefit of plaintiff herein, and requiring defendants, and
18 each of them, to render an accounting with respect to said property
19 from the date said contract was entered into to the date of such
20 Decree.

21

22 SIXTH CAUSE OF ACTION

23 38. Plaintiff repeats, repleads and realleges each,
24 every and all of the allegations contained in Paragraphs 1, 2, 3,
25 4, 5, 6 and 7 of the First Cause of Action of this Complaint and
26 incorporates same by this reference as though fully set forth
27 herein at length.

28 39. At said time and place, KAHN also made the follow-
29 ing oral offer to plaintiff:

30 If plaintiff would introduce and recommend
31 KAHN to SHENKER and loan commitments from the FUND
32 in sums totaling not less than \$6,000,000.00 were

1 thereafter obtained for the PENASQUITOS property,
2 plaintiff would then be paid one-half of KAHN's
3 "position" in any property which KAHN would finance
4 through THE FUND in the future, subject to any
5 equity position taken in said properties by the
6 FUND.
7 40. Plaintiff then and there accepted said offer.
8 41. On or about April 29, 1965, plaintiff introduced
9 and recommended KAHN to SHENKER. As a result thereof, defendants,
10 and each of them, obtained said loan commitment from or through
11 THE FUND in an amount exceeding \$6,000,000.00; thereafter, KAHN
12 obtained further commitments from THE FUND for numerous other real
13 estate development projects, the location, amounts and details of
14 which projects are well known to defendants but unknown to plaintiff,
15 but plaintiff is informed and believes that these additional commit-
16 ments for these other real estate projects from THE FUND are in
17 amounts in excess of \$50,000,000.00.
18 42. Upon the performance of the terms of said agreement,
19 as aforesaid, defendants, and each of them, held said one-half
20 interest in these projects in trust for the use and benefit of
21 plaintiff.
22 43. On dates well known to defendant but not to plain-
23 tiff, said ownership participation of THE FUND in these projects
24 was determined and thereafter conveyed. Plaintiff first learned
25 that THE FUND was given a 25% interest in said projects in partial
26 consideration for the delivery of said funds on or about September
27 12, 1969.
28 44. On or about September 12, 1969, plaintiff made
29 demand upon defendants, and each of them, for the delivery of said
30 one-half interest being held in trust, as aforesaid, and for an
31 accounting.
32 45. Said demands, and each of them, were refused by

1 defendants, and each of them.

2 46. Said property now has a fair market value in excess
3 of \$100,000,000.00. The fair market value of the equity of defend-
4 ants, and each of them, in said property, is not known to plaintiff
5 but well known to defendants, and each of them. Plaintiff will
6 ask leave of Court to amend this pleading to insert said amount of
7 the values after same have been ascertained.

8 47. An actual controversy has arisen between plaintiff
9 and defendants, as follows:

10 (a) Plaintiff contends that he is the owner of
11 said one-half interest; that said interest is and should be held
12 in trust for the use and benefit of plaintiff; that it should be
13 conveyed to him; that he is entitled to an accounting.

14 (b) Defendants, and each of them, deny said
15 contentions, and each of them, and contend that plaintiff has no
16 interest or right of ownership in said property or in the owner-
17 ship thereof, and is not entitled to an accounting.

18 48. A Decree or Judgment of this Court declaring and
19 defining the legal rights and duties of the parties with respect
20 to each other is required under the circumstances for the protec-
21 tion of the parties.

22
23 WHEREFORE, plaintiff prays for a Judgment or Decree of
24 this Court, as follows:

25 (1) Declaration of the legal rights and duties of the
26 parties with respect to each other arising out of said contract;

27 (2) Dissolution of said partnership or joint venture
28 and an accounting;

29 (3) Specific performance of the terms of said contract;

30 --(4)--The establishment of a resulting trust and an
31 accounting;

32 (5) Costs of suit incurred herein; and

1 (6) Such other and further relief as the Court may
2 deem just and proper.

3

4

DATED: February 24, 1970.

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RIVERA & WALLACE

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Attorneys for Plaintiff

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R. B. JAMES, CLERK
BY _____ DEPUTY

1. RIVERA & WALLACE
2. [redacted]
3. Attorneys at Law
4. 9777 Wilshire Boulevard
5. Suite 518
6. Beverly Hills, California 90212
7.
8. 278-1600
9.
10. Attorneys for Plaintiff

11. SUPERIOR COURT OF THE STATE OF CALIFORNIA
12. FOR THE COUNTY OF SAN DIEGO

11. LOUIS LESSER,)
12. Plaintiff,)
13. -vs-)
14. IRVIN J. KAHN and [redacted])
15. [redacted] individually and doing)
16. business as THE IRVIN J. KAHN)
17. ORGANIZATION, THE PENASQUITOS)
18. CORPORATION, a corporation,)
19. doing business as RANCHO LOS)
20. PENASQUITOS, RANCHO LOS)
21. PENASQUITOS, DOES I-XX,)
22. Defendants.)

NO. 316831

FIRST AMENDED COMPLAINT

5-27-70

21. Plaintiff is informed and believes, and thereon
22. alleges that:

23. FIRST CAUSE OF ACTION

24. 1. The true names of defendants named herein by
25. the fictitious names of DOE I-XX, and each of them, are unknown
26. to plaintiff. Plaintiff therefore sues each of said defendants
27. by such fictitious names. The true capacities, whether indivi-
28. dual, associate, partnership, corporate, or otherwise, of
29. defendants, THE IRVIN J. KAHN ORGANIZATION, RANCHO LOS
30. PENASQUITOS, and each of them, are also unknown to plaintiff.
31. Plaintiff will ask leave to amend this pleading to state the
32. true names and capacities of said defendants after same have

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1. been ascertained. Each of said defendants is legally liable for the acts and omissions and damages described herein.

2. Defendants, IRVIN J. KAHN and [REDACTED] are residents of the County of San Diego, State of California. THE IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION are entities which have their principal place of business in the County of San Diego, State of California.

3. Defendants, THE IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION are corporations either organized and existing pursuant to California law, or foreign corporations qualified to do business in the State of California.

4. At all times herein mentioned, defendant, KAHN was an officer, director, manager or partner of both the IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION; that in doing all the acts herein alleged, defendant KAHN was acting in his capacity as an officer, director, manager or partner of said defendants THE IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION, and was the authorized agent and representative of said defendants THE IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION and was acting within the course and scope of said agency. Further, all references herein to KAHN refer to and include IRVIN J. KAHN, acting in his individual capacity, and acting in his capacity as officer, director, manager or partner of THE IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION, and for and on behalf of all of the remaining defendants herein, and each of them.

5. Said defendants THE IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION constitute the alter egos of defendant KAHN by virtue of the manner and operation of the business thereof, in that defendant KAHN created an ambiguous and misleading situation to the detriment of relying creditors, by virtue of confusing and intermingling purported loans and

1 capital investments allegedly made by said defendant KAHN to
2 THE IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION.
3 Further, defendant KAHN so mixed purported corporate and personal
4 accounts that the same cannot reasonably be segregated, and the
5 same are in an inextricable confusion. Further, defendant KAHN
6 so mixed purported accounts of THE IRVIN J. KAHN ORGANIZATION
7 and THE PENASQUITOS CORPORATION that the same cannot reasonably
8 be segregated, and the same are in an inextricable confusion.
9 Further, said defendant KAHN used the alleged corporate capital
10 of both THE IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS
11 CORPORATION for his personal interests in the payment of personal
12 obligations, thereby depleting the alleged corporate reservoir
13 of assets otherwise available to creditors.

14 -6. Commencing in or about 1947, plaintiff became
15 actively engaged in various and extensive real estate ventures as
16 an individual, as a partner in LOUIS LESSER ENTERPRISES, LTD., a
17 limited partnership, and as an officer and shareholder in LOUIS
18 LESSER ENTERPRISES, INC., a corporation. As a result of said
19 activities, plaintiff acquired special knowledge and ability in
20 obtaining financing for real estate ventures from various sources,
21 including MORRIS SHENKER (hereinafter referred to as "SHENKER")
22 and CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION FUND
23 (hereinafter referred to as "THE FUND"). At all times mentioned
24 herein, SHENKER was and is now an agent of THE FUND, authorized
25 to obtain substantial loans and loan commitments from THE FUND or
26 to influence the granting of substantial loans and loan commitments
27 from THE FUND to parties designated by him.

28 7. Commencing in or about 1950, plaintiff became
29 acquainted with defendant KAHN. Plaintiff thereafter, as an
30 individual, as a partner of said partnership, or as an officer and
31 shareholder in said corporation, participated with defendant KAHN
32 and his affiliate companies in numerous real estate ventures.

1 8. Due to the manner and operation of the business
2 of the IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION
3 by defendant KAHN, referred to above, plaintiff does not know
4 each defendant's specific ownership interest in certain large
5 acreage of unimproved real property commonly known as RANCHO LOS
6 PENASQUITOS, but alleges that each of the defendants herein owns
7 an interest in said real property, commonly known as RANCHO LOS
8 PENASQUITOS, and that defendant KAHN was authorized to act on be-
9 half of each of the remaining defendants in regard to said real
10 property. Said real property is located in the County of San
11 Diego, consists of approximately twelve thousand acres, and will
12 hereinafter be referred to as "said property". Defendants were
13 then in dire need of funds to meet the financial commitments
14 pertaining to said property and the improvement thereof. Defen-
15 dant KAHN, acting individually and in his capacity as an officer,
16 director, manager or partner of defendant IRVIN J. KAHN ORGANIZA-
17 TION and PENASQUITOS CORPORATION, then recognized that said
18 property was or would soon be subject to foreclosure and that it
19 was imperative that substantial funds be obtained. Defendant
20 KAHN, acting individually and in his capacity as an officer,
21 director, manager or partner of said defendants THE IRVIN J. KAHN
22 ORGANIZATION and THE PENASQUITOS CORPORATION, then recognized
23 that plaintiff in the past had obtained such funds from or through
24 SHENKER and THE FUND, and each of them, and recognized that
25 plaintiff's ability to introduce and recommend KAHN to SHENKER
26 and to influence the granting of substantial loan commitments were
27 matters of extreme value to KAHN as an individual and in his
28 capacity as an officer, director, manager or partner in the
29 IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION and
30 to THE IRVIN J. KAHN ORGANIZATION and to THE PENASQUITOS CORPORA-
31 TION. On or about April 29, 1965, defendant KAHN, acting
32 individually and in his capacity as an officer, director, manager

1 or partner of THE IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS
2 CORPORATION, importuned and solicited plaintiff's assistance in
3 securing said funds from and through SHENKER and THE FUND, and
4 orally made the following offer to plaintiff herein:

5 If plaintiff would introduce and recommend KAHN
6 to SHENKER and loan commitments from THE FUND
7 in sums totaling not less than \$6,000,000.00
8 were thereafter obtained, plaintiff would then
9 be paid one-half of KAHN's "position" in said
10 property, i.e, one-half of his ownership in-
11 terest in said property, regardless of whether
12 the title to said property was in the name of
13 IRVIN J. KAHN, [REDACTED] THE IRVIN J.
14 KAHN ORGANIZATION, THE PENASQUITOS CORPORATION,
15 or any other entity in which said defendant KAHN
16 owned and/or controlled. Plaintiff and KAHN
17 both anticipated that in order to obtain the
18 necessary financing from THE FUND, it might be
19 necessary to convey an equity interest in said
20 property to THE FUND, and that plaintiff's one-
21 half interest in said property would be deter-
22 mined after this equity interest was determined
23 and conveyed; that until that event, defendants,
24 and each of them, would hold said one-half interest
25 in trust for the sole use and benefit of plaintiff.

26 9. Plaintiff then and there accepted said offer.

27 10. On or about April 29, 1965, plaintiff intro-
28 duced and recommended KAHN to SHENKER. As a result thereof,
29 defendants, and each of them, obtained said loan commitment from
30 or through THE FUND in an amount exceeding \$6,000,000.00; there-
31 after KAHN obtained further commitments from THE FUND for THE
32 PENASQUITOS property, the amounts of which are well known to

1 defendants but unknown to plaintiff, but plaintiff is informed
2 and believes that these additional commitments from THE FUND for
3 PENASQUITOS are in amounts in excess of \$50,000,000.00.

4 11. Upon the performance of the terms of said
5 agreement, as aforesaid, defendants, and each of them, held said
6 one-half interest in trust for the use and benefit of plaintiff.

7 12. On dates well known to defendants but not
8 known to plaintiff, said ownership participation of THE FUND was
9 determined and thereafter conveyed. Plaintiff first learned that
10 THE FUND was given a 25% interest in said property in partial
11 consideration for the delivery of said funds on or about
12 September 12, 1969.

13 13. On or about September 12, 1969, plaintiff
14 made demand upon defendants, and each of them, for the delivery
15 of said one-half interest being held in trust, as aforesaid, and
16 for an accounting.

17 14. Said demands, and each of them, were
18 refused by defendants, and each of them, thereby breaching said
19 oral agreement set forth above.

20 15. Said property now has a fair market value
21 in excess of \$100,000,000.00. The fair market value of the
22 equity of defendants, and each of them, in said property, is
23 not known to plaintiff but well known to defendants, and each of
24 them. Plaintiff will ask leave of Court to amend this pleading
25 to insert said amount of the values after same have been
26 ascertained.

27 16. As a direct and proximate result of said
28 breach of said oral contract, plaintiff has sustained damages as
29 follows: a dollar amount equal to one-half of the equity of the
30 defendants, and each of them, in said property.

31 * * * *

32 * * * *

1 SECOND CAUSE OF ACTION

2 18. Plaintiff repeats, repleads and realleges
3 each, every and all of the allegations contained in Paragraphs
4 1,2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 of the First Cause of Action
5 of this Complaint and incorporates same by this reference as
6 though fully set forth herein at length.

7 19. On or about April 29, 1965, Plaintiff and
8 defendants, and each of them, entered into an oral partnership
9 agreement at San Diego, California, for the purpose of carrying
10 on the business of operating, maintaining and improving said
11 property, under the firm name and style of RANCHO DE LOS
12 PENASQUITOS, with its principal place of business at 3010 Cowley
13 Way, San Diego, California.

14 20. Said partnership commenced business, and ever
15 since has been, and now is, operating said business at said
16 address and has acquired and now owns assets exceeding the value
17 of \$100,000,000.00.

18 21. Said defendants, and each of them, have
19 carried on a course of conduct in violation of said partnership
20 agreement and in violation of California Corporations Code
21 Section 15031 and 15032, which conduct and violations are as
22 follows:

23 (1) The exclusion of plaintiff from
24 participating in any manner in the management of partnership
25 interest;

26 (2) The refusal to keep accurate books of
27 account and knowingly causing false and inaccurate records of
28 the company's transactions so as to deprive plaintiff of just
29 share in the profits and capital assets of said partnership;

30 (3) Failure to report the true income of
31 said partnership to Federal and State authorities for income tax
32 purposes.

1 purposes.

2 22. As a result of said acts and conduct, said
3 defendants, and each of them, have breached said partnership
4 agreement and have otherwise made it impractical for the business
5 of the partnership to be carried on between the parties herein.

6 23. Plaintiff desires a dissolution of said
7 partnership and an accounting of the affairs of said partnership
8 from the date of its formation to the present time.

9 THIRD CAUSE OF ACTION

10 24. Plaintiff repeats, repleads and realleges
11 each, every and all of the allegations contained in Paragraphs
12 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10^{and 11} of the First Cause of Action of
13 this Complaint and incorporates the same by this reference as
14 though set forth fully at length.

15 25. On or about April 29, 1965, plaintiff and
16 defendants, and each of them, entered into an oral joint venture
17 agreement at San Diego, California, for the purpose of carrying on
18 the business of operating, maintaining and improving said property
19 under the firm name and style of RANCHO DE LOS PENASQUITOS, with
20 its principal place of business at 3010 Cowley Way, San Diego,
21 California.

22 26. Said joint venture commenced business, and
23 ever since has been, and now is, operating said business at said
24 address and has acquired and now owns assets exceeding the value
25 of \$100,000,000.00.

26 27. Said defendants, and each of them, have
27 carried on a course of conduct in violation of said joint venture
28 agreement, which conduct and violations are as follows:

29 (1) The exclusion of plaintiff from parti-
30 cipating in any manner in the management of joint venture interest;

31 (2) The refusal to keep accurate books of
32 account and knowingly causing false and inaccurate records of the

1 company's transactions so as to deprive plaintiff of his just
2 share in the profits and capital assets of said joint venture;

3 (3) Failure to report the true income of
4 said joint venture to Federal and State authorities for income
5 tax purposes.

6 28. As a result of said acts and conduct, said
7 defendants, and each of them, have breached said joint venture
8 agreement and have otherwise made it impractical for the business
9 of the joint venture to be carried on between the parties herein.

10 29. Plaintiff desires a dissolution of the said
11 joint venture and an accounting of the affairs of said joint
12 venture from the date of its formation to the present time.

13
14 FOURTH CAUSE OF ACTION

15 30. Plaintiff repeats, repleads and realleges
16 each, every and all of the allegations contained in Paragraphs
17 1, 2, 3, 4, 5, 6, 7, 8, 9/and 10 of the First Cause of Action of this
18 Complaint and incorporates same by this reference as though fully
19 set forth herein at length.

20 31. Defendants, and each of them, have repudiated
21 the obligations of said contract.

22 32. Plaintiff has performed all of the terms,
23 covenants and conditions on his part to be performed under said
24 contract.

25 33. Plaintiff has no plain, speedy or adequate
26 remedy in the ordinary course of law, and damages, if awarded,
27 cannot be properly ascertained and will be inadequate to compen-
28 sate plaintiff for the detriment suffered by him. The terms of
29 said contract should be specifically enforced by a Decree ordering
30 that defendants, and each of them, perform the terms of said
31 contract.

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FIFTH CAUSE OF ACTION

34. Plaintiff repeats, repleads and realleges each, every and all of the allegations contained in Paragraphs 1, 2, 3, and 14 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13/of the First Cause of Action of this Complaint and incorporates same by this reference as though set forth herein at length.

35. All conditions required for the termination of said trust and the delivery of said property to plaintiff have occurred.

36. As a result of the refusal of defendants, and each of them, to deliver said property to plaintiff, defendants, and each of them, have and are converting said property to their own purpose and use.

37. Plaintiff has no plain, speedy, or adequate remedy in the ordinary course of law and damages, if awarded, cannot be properly ascertained, and will be inadequate to compensate plaintiff for the detriment suffered by him.

38. In order to protect plaintiff's rights, a Decree is required establishing a resulting trust wherein defendants, and each of them, will be required to hold said property in trust for the benefit of plaintiff herein, and requiring defendants, and each of them, to render an accounting with respect to said property from the date said contract was entered into to the date of such Decree.

WHEREFORE, plaintiff prays for a Judgment as follows:

(1) For damages in an amount equal to one-half of the equity of the defendants, and each of them, in the property known as RANCHO LOS PENASQUITOS.

(2) Dissolution of said partnership or joint venture and an accounting.

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- (3) Specific performance of the terms of said contract;
- (4) The establishment of a resulting trust and an accounting;
- (5) Costs of suit incurred herein; and
- (6) Such other and further relief as the Court may deem just and proper.

DATED: May 13, 1970.

RIVERA & WALLACE

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R. B. JAMES, CLERK

BY DEPUTY

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9777 Wilshire Boulevard
Beverly Hills, California 90212

Telephone: 278-1600

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

LOUIS LESSER,

Plaintiff,

vs.

IRVIN J. KAHN and

 individually
and doing business as THE
IRVIN J. KAHN ORGANIZATION,
THE PENASQUITOS CORPORATION,
a corporation, doing business
as RANCHO LOS PENASQUITOS,
RANCHO LOS PENASQUITOS, DOES I
through XX,

Defendants.

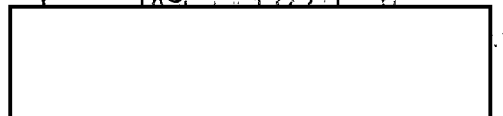
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AMENDMENTS TO FIRST
AMENDED COMPLAINT

1. Paragraph 8, page 4, lines 1 through 11, of the First Amended Complaint on file herein, are hereby amended to read as follows:

Due to the manner and operation of the business of THE IRVIN J. KAHN ORGANIZATION and THE PENASQUITOS CORPORATION by defendant KAHN, referred to above, plaintiff does not know each defendants' specific ownership interest in certain large acreage of unimproved real property commonly known as RANCHO LOS PENASQUITOS, but alleges that on or about, and prior to April 29, 1965, defendants herein owned an interest in said real property, commonly known as RANCHO LOS PENASQUITOS, and that defendant KAHN was authorized to act on behalf of each of the remaining

SEARCHED	INDEXED
SERIALIZED	FILED



56-20-60

1 defendants in regard to said real property.

2 2. Paragraph 8, lines 6 through 17, of the First
3 Amended Complaint on file herein, are hereby amended to read as
4 follows:

5 If plaintiff would introduce and recommend KAHN to
6 SHENKER, and loan commitments from THE FUND in sums totalling
7 not less than \$6,000,000.00 were thereafter obtained, plaintiff,
8 as an individual, would then be paid one-half of KAHN's "position"
9 in said property, i.e., one-half of his ownership interest in said
10 property, regardless of whether the title to said property was in
11 the name of IRVIN J. KAHN, [REDACTED] THE IRVIN J. KAHN
12 ORGANIZATION, THE PENASQUITOS CORPORATION, or any other entity in
13 which said defendant KAHN owned or controlled.

14 3. Paragraph 10, lines 29, beginning with the word
15 "as" through line 31 ending with the number \$6,000,000.00, of the
16 First Amended Complaint on file herein, is hereby amended to read
17 as follows:

18 As a result thereof, defendants, and each of them,
19 obtained said loan commitment from or through THE FUND in an
20 amount exceeding \$6,000,000.00; that said commitment was obtained
21 on a date unknown to plaintiff, but well known to defendants, and
22 plaintiff is informed and believes, and therefore alleges that the
23 date of said commitment was during the year 1965 and subsequent
24 to April 29, 1965.

25 DATED: May 26, 1970.

26 RIVERA & WALLACE - [REDACTED]

27
28 By [REDACTED]
29
30

31 Attorneys for Plaintiff
32

(VERIFICATION — 446, 2015.5 C. C. P.)

STATE OF CALIFORNIA
COUNTY OF

} ss.

I am the

in the above entitled action; I have read the foregoing

and know the contents thereof; and I certify that the same is true of my own knowledge, except as to those matters which
are therein stated upon my information or belief, and as to those matters I believe it to be true.

I certify (or declare), under penalty of perjury,* that the foregoing is true and correct.

Executed on (date) at (place), California

Signature

(PROOF OF SERVICE BY MAIL -- 1013a, 2015.5 C. C. P.)

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES } ss.I am a citizen of the United States and a resident of the county aforesaid; I am over the age of eighteen years, and not
a party to the within entitled action; my business address is:

9777 Wilshire Boulevard, Beverly Hills, California

On May 26, 1970, I served the within Amendments to First

Amended Complaint

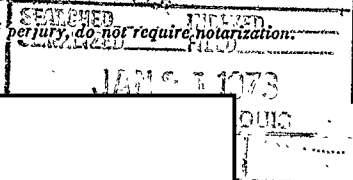
on the defendants

in said action, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the
United States mail at Beverly Hills, California
addressed as follows:Hervey & Mitchell
Attorneys at Law
Suite 1204
San Diego Trust & Savings Building
San Diego, California 92101

I certify (or declare), under penalty of perjury,* that the foregoing is true and correct.

Executed on May 26, 1970 at Beverly Hills, California

*Both the verification and proof of service by mail forms, being signed under penalty of perjury, do not require notarization.



UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (156-20)

DATE: 1/26/73

FROM : SAC, SAN DIEGO (156-5)

SUBJECT: MORRIS A. SHENKER, aka;
IRVIN JULIUS KAHN;
PIPEFITTERS UNION
LOCAL 562
WPPDA
OO: St. Louis
Bufile 156-557

Re St. Louis airtel to Los Angeles dated 1/15/73.

Enclosed for the St. Louis Division is one copy of an FD-302 reflecting investigation by SA [redacted] (A) on 1/24/73, and the following:

- 1) Complaint for Declaratory Relief filed 2/25/70, in Superior Court of the State of California for the County of San Diego, [redacted] Plaintiff, vs. IRVIN J. KAHN and [redacted] individually and doing business as THE IRVIN J. KAHN ORGANIZATION, THE PENASQUITOS CORPORATION, a corporation, doing business as RANCHO LOS PENASQUITOS, RANCHO LOS PENASQUITOS, DOE I-XX, Defendants.
- 2) First Amended Complaint filed 5/14/70.
- 3) Amendments to First Amended Complaint filed 5/27/70.

② - St. Louis (Enc. 4)
2 - San Diego

GHB/gar
(4)

156-20-63
SEARCHED INDEXED
SERIALIZED FILED

JAN 29 1973



FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/15/73

[redacted] of the [redacted]
[redacted] were reviewed pursuant to a subpoena duces tecum
served upon [redacted]
[redacted]

The [redacted] are as follows:

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Interviewed on 1/5/73 at St. Louis, Missouri File # SL 156-21
SL 156-20-64
by SA [redacted] dld Date dictated 1/10/73

(Mount Clipping in Space Below)

Teamster Head Gave \$4000 To Nixon Drive

WASHINGTON, Jan. 30. (AP) — Teamsters Union President Frank E. Fitzsimmons contributed \$4000 to President Richard M. Nixon's campaign in the closing days of last fall's election, new reports filed with the government show.

The Oct. 30 contribution to Democrats for Nixon was reported by the committee in a statement on contributions and expenditures made to the General Accounting Office.

The report was among the first of many due by tomorrow when all political committees that raised or spent \$1000 or more in 1972 are required under a new federal elections laws to make final reports on the presidential election.

The new reports cover the last seven days before the election and any spending and contributions since then.

Among the larger contributors listed by Democrats for Nixon, a committee headed by former Secretary of the Treasury John B. Connally, Jr., was William P. Clements, Jr. who gave \$5773 on Nov. 3. The Texas oilman recently was nominated and confirmed as deputy secretary of Defense, the No. 2 job in the Pentagon.

The families of Charles J. and Sam Wyly, previously reported as among Mr. Nixon's largest contributors in 1972, are listed as giving an extra \$11,000 just before the election. The Wyly family controls University Computing of Dallas.

Another large contributor listed by Democrats for Nixon

was Irvin J. Kahn of La Jolla, Calif., a real estate developer who formerly had connections with the Teamsters Union. A \$2000 contribution was listed from Salvatore Provenzano, a Teamsters official from New Jersey. There were numerous other contributions in lesser amounts from other Teamster officers as well as trucking company officers.

The largest single contribution reported by Democrats for Nixon was from A. P. Simons, a Dallas real estate contractor who gave \$25,000 on Dec. 4.

Democrats for Nixon reported taking in \$475,494 since Oct. 27. The committee said it collected nearly \$2,000,000 since April 7 last year, the date the new law took effect.

(Indicate page, name of newspaper, city and state.)

ST. LOUIS

GLOBE-DEMOCRAT

Date: 1-30-73

Edition:

Author:

Editor:

Title:

Character:

or

Classification:

Submitting Office:

☐ Being Investigated

156-20-65

(Mount Clipping in Space Below)

Mrs. Shenker Manages Spa



Mrs. Lillian Shenker
Heads California Resort

By JOHN M. MCGUIRE

Of the Post-Dispatch Staff

Mrs. Lillian Shenker, wife of widely-known St. Louis lawyer Morris A. Shenker, has taken over the management of Murrieta Hot Springs, a 3000-acre resort spa and land development between Los Angeles and San Diego.

Mrs. Shenker, a lawyer herself and former St. Louis police judge in the late 1940s, replaced Irvin J. Kahn as president of the California Corporation. Kahn is a San Diego real estate developer who took title to the original 500 acres of property in 1969. He is now chairman of Murrieta Hot Springs.

Kahn acquired the 71-year-old resort spa for \$1,300,000, with money lent by Sidney L. Wyman, part owner of the Dunes casino in Las Vegas. Wyman is a one-time St. Louis bookmaker.

The Shenkers have invested \$300,000 in the Murrieta Hot Springs venture, a small portion of the St. Louis and Las Vegas money that has been invested, estimated at about \$10,000,000.

The largest sum from here was \$4,500,000, invested by the St. Louis pipefitters' pension fund.

Sorkis Webb, former public administrator of St. Louis, invested \$100,000. In addition, the Bank of Las Vegas lent \$3,000,000 to the development, the second largest amount of capital assembled. Morris Shenker played a leading role in assembling the capital.

Mrs. Shenker has been in California about two months. "Right now, the main thing is to get this thing off the ground," Mrs. Shenker said in a telephone interview, adding that "it took one of us out here to get this thing rolling."

"Both (Shenker and Kahn)

begged me to do this," she said, "particularly because of my experience in the hotel business." She was secretary of the Hotel Management Co.

Her brother, Harold Koplar, heads Koplar Enterprises, owner of the Chase-Park Plaza Hotel, KPLR-TV, Channel 11, land developments and resorts at Lake of the Ozarks, Mo., in addition to running a hotel in Puerto Rico.

Mrs. Shenker has named Pat Dickson, who operated the spa at the Lodge of the Four Seasons, Lake of the Ozarks, to administrator of the California spa.

The resort has 300 rooms, Mrs. Shenker said, with 200 rooms "in the first-class category." The accommodations are in clusters, mostly two-story buildings.

In addition, there is an 18-hole golf course. Gay Brewer, a professional golfer, is the course pro.

Besides the resort operation, Murrieta Hot Springs has condominiums, town houses and mobile home parks.

(Indicate page, name of newspaper, city and state.)

ST. LOUIS

POST-DISPATCH

① 156-20

(1) 92-2088

Date: 2-4-73

Edition: SUNDAY

Author:

Editor:

Title:

Character:

or

Classification:

Submitting Office:

☐ Being Investigated

156-20-66

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 1973	
FBI-ST. LOUIS	

1
SC 92-645
MJM:il

The following investigation was conducted by
SA [REDACTED]

AT SACRAMENTO, CALIFORNIA

A review of the Sacramento City Directory indicates telephone number 422-7760 is assigned to State Capitol Investments, 5407 Florin Road, Sacramento. The directory indicates this company is owned by [REDACTED]
[REDACTED]

156-20-47

SEARCHED	INDEXED
SERIALIZED	FILED

[REDACTED]

F B I

Date: 2/5/73

Transmit the following in _____
(Type in plaintext or code)

AIRTEL

AIR MAIL

Via _____
(Priority)

TO : SAC, ST. LOUIS (156-20)

FROM : SAC, SACRAMENTO (92-645) (RUC)

SUBJECT: IRVIN JULIUS KAHN, aka;
MORRIS A. SHENKER;
PIPEFITTERS UNION LOCAL 562
WELARE AND PENSION FUND
ST. LOUIS, MISSOURI
WPPDA

Re St. Louis airtel to Los Angeles, dated
1/22/73.

Enclosed herewith for St. Louis are two (2) copies
of an investigative insert reflecting investigation
regarding telephone number [REDACTED]

ADMINISTRATIVE

On 2/2/73, [REDACTED]

[REDACTED] furnished the file regarding [REDACTED] to
SA [REDACTED] for review. SA [REDACTED] advised
[REDACTED] prior to receipt of this file that its contents
would be maintained on a strictly confidential basis, and
no dissemination would be made outside the FBI.

A review of this file revealed the following
information:

2 - St. Louis (Enc. 2)
1 - Sacramento

MJM:il

(3)

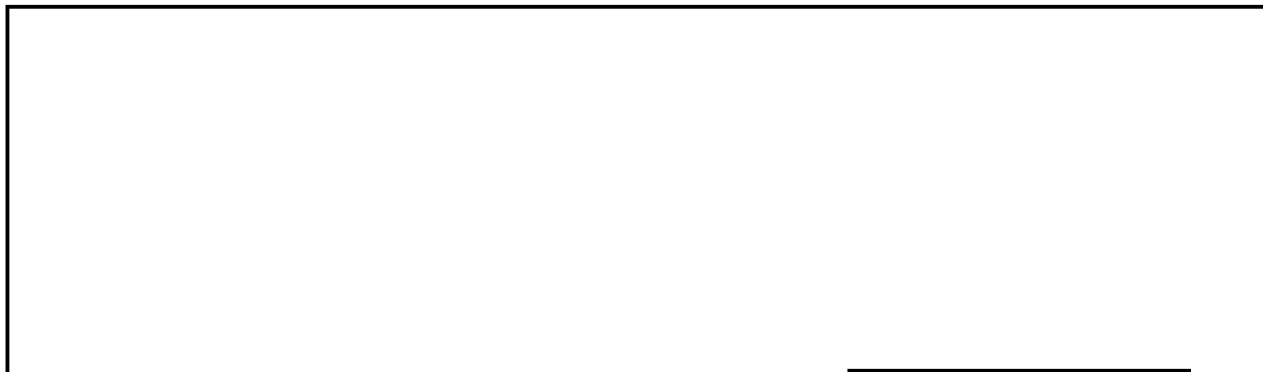
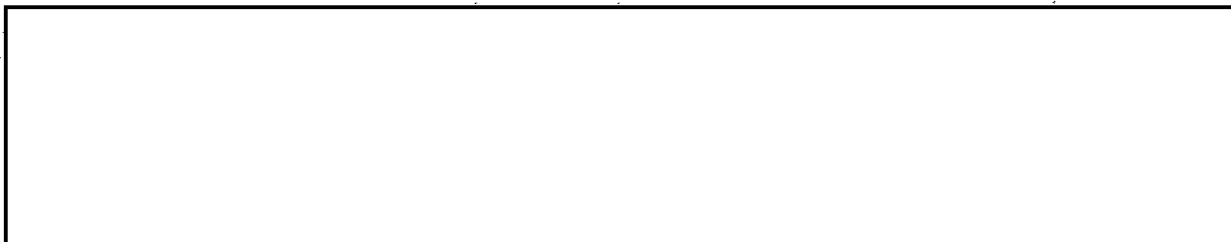
Approved: _____

Special Agent in Charge

Sent _____

SC 92-645

b7D



Also contained in the file were

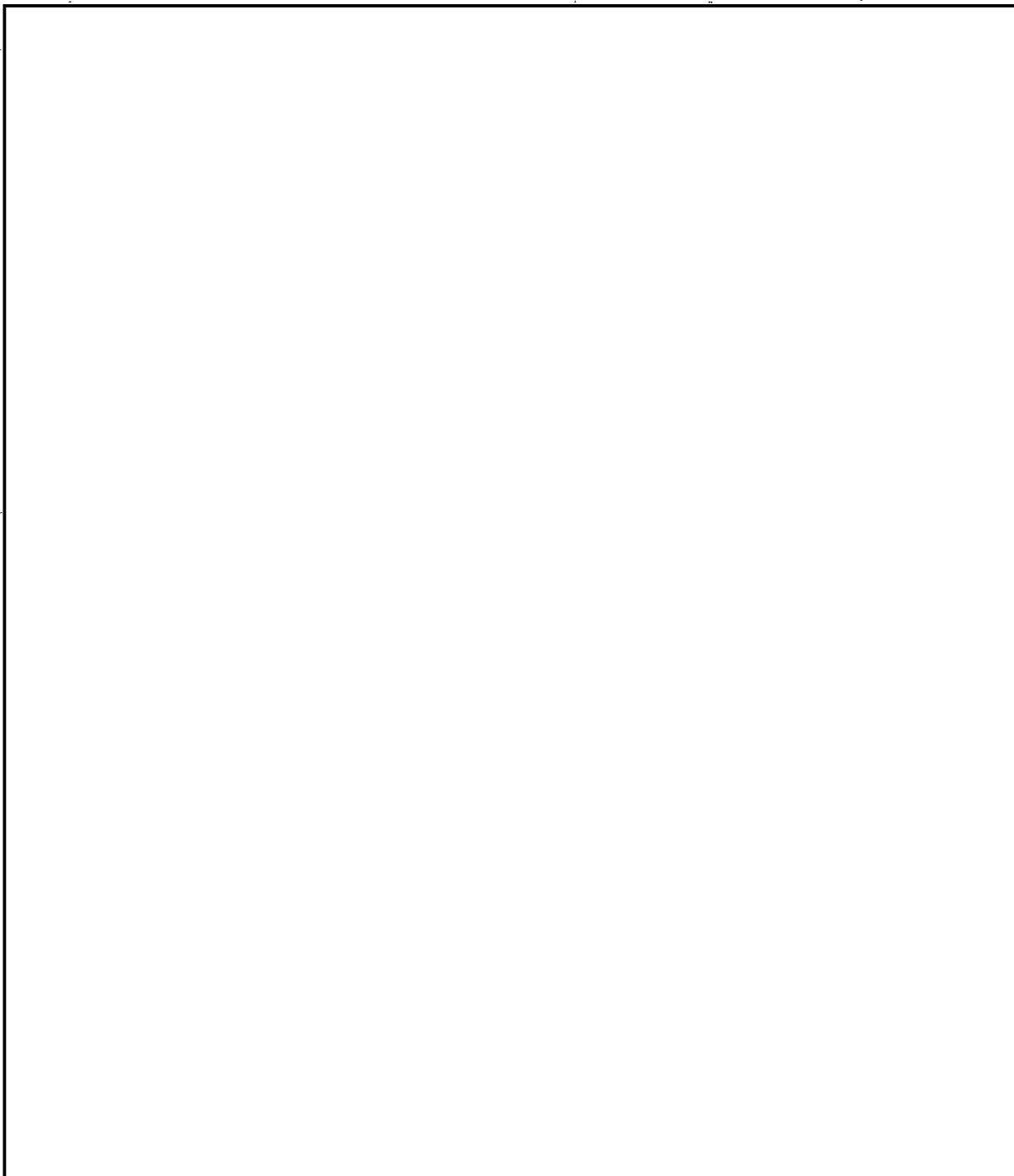


on

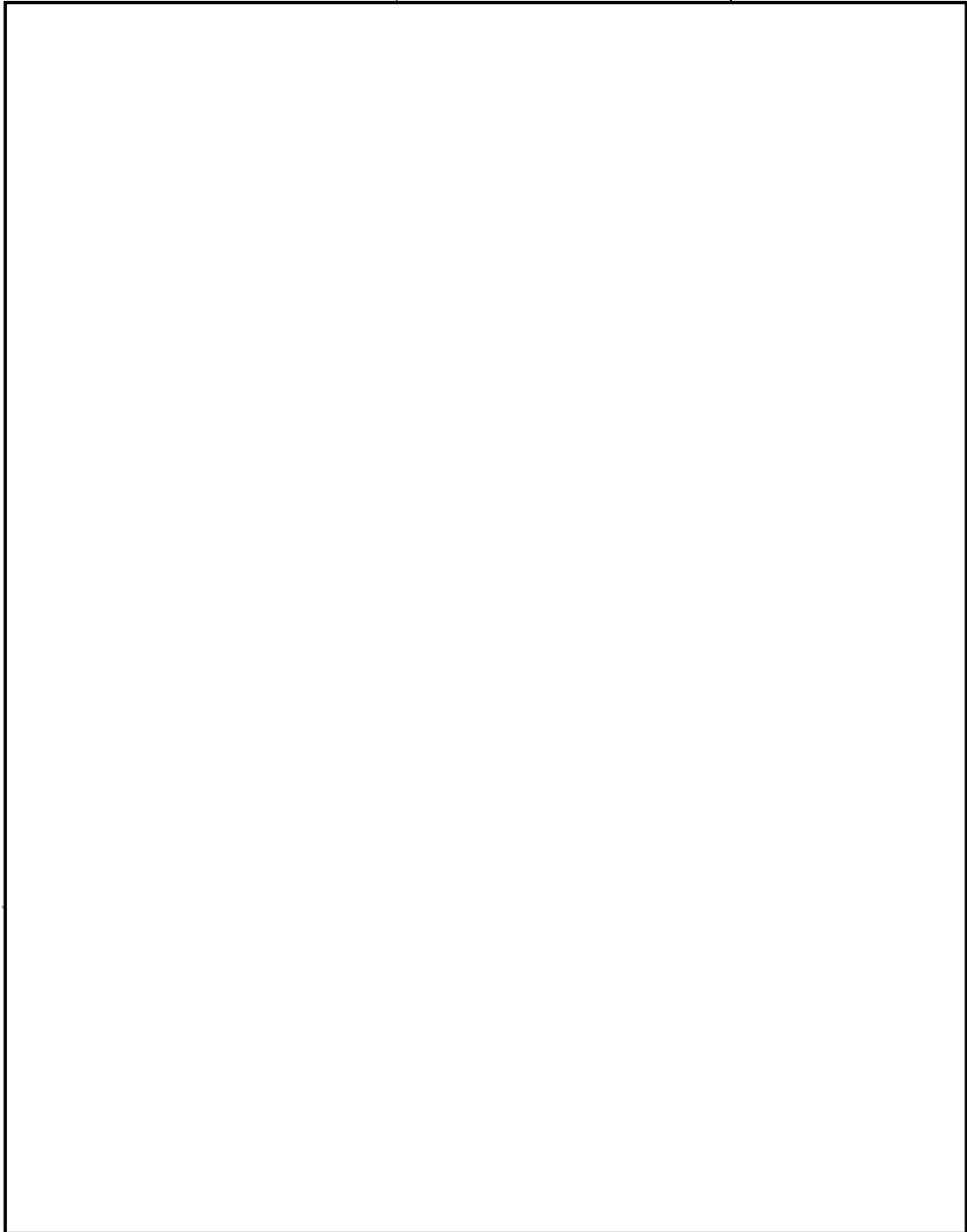
the following individuals:

b6
b7C
b7D

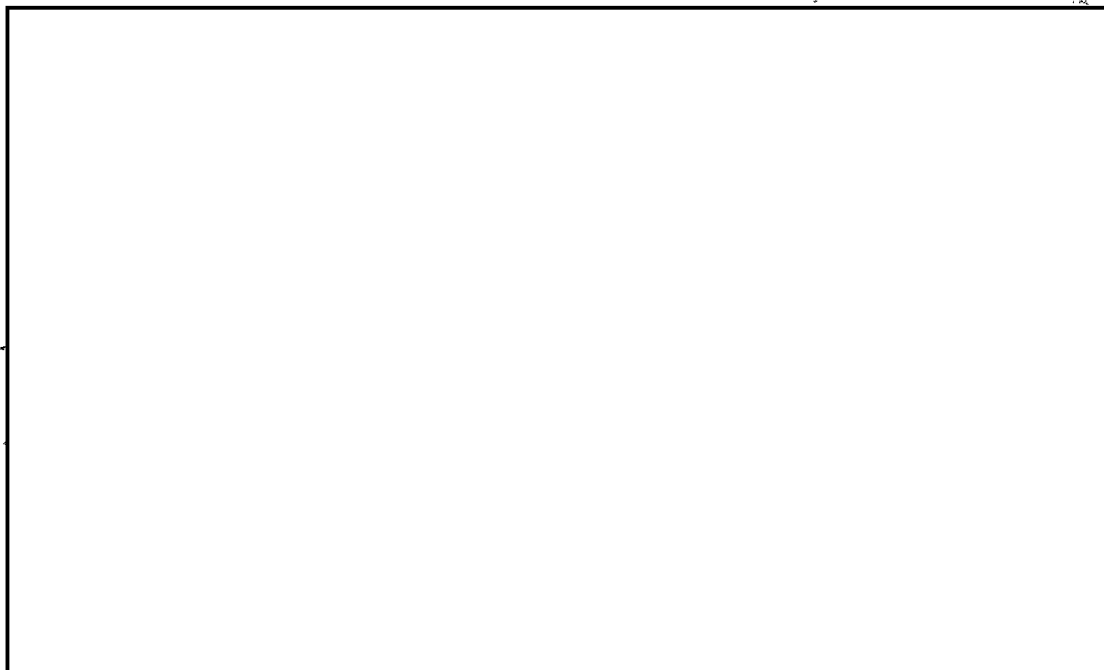
SC 92-645



SC 92-645



SC 92-645



in the file indicates



SC 92-645

[redacted] are contained in
the file and indicate [redacted]

[redacted]

The file also contains a [redacted]

[redacted]

[redacted] advised the San Diego [redacted] office would have a much more complete file regarding this matter. He indicated [redacted] are contained in that file as opposed to the one in Sacramento.

With respect to issuance of a subpoena duces tecum for information contained in their files, it is the policy of the [redacted] to resist any attempt to subpoena information of a confidential nature. [redacted] explained that the information is confidential in nature, and they have successfully resisted subpoenas in the past. He advised there have been no instances where the matter involved a federal subpoena, however; and he indicated he could not speculate on the outcome.

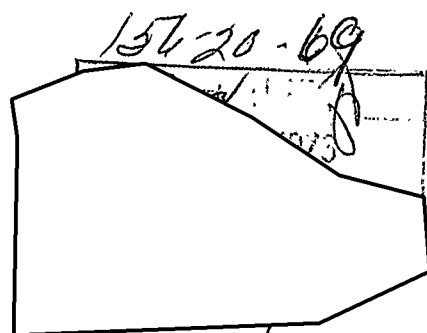
SC 92-645

LEAD

ST. LOUIS

AT ST. LOUIS, MISSOURI. Inasmuch as Sacramento is unaware of extent of investigation conducted by San Diego, no lead is being set forth, and lead to review main file at San Diego is being left to discretion of ~~San Diego~~.

ST. LOUIS



United States District Court
FOR THE

EASTERN DISTRICT OF MISSOURI

To

You are hereby commanded to appear in the United States District Court for the Eastern
District of Missouri Room 427, U. S. Court and Custom House, 1114 Market Street in the city of
St. Louis ~~on the~~ day of ~~XXXXXX~~ forthwith 19 ~~XXXXXX~~ at ~~XXXXXX~~ o'clock ~~XXXXXX~~ M. to
testify before the Grand Jury and bring with you¹ the following information:

This subpoena is issued on application of the United States.

William A. [Signature]

Clerk.

Date January 23, 1973.
amb

By *Ellen C. Donovan*
Deputy Clerk.

1. Strike the words "and bring with you" unless the subpoena is to require the production of documents or tangible things, in which case the documents and things should be designated in the blank space provided for that purpose.

RETURN

Received this subpoena at SLMU
and on 1/23/73 at SLMU
within named
by delivering a copy to him, and tendering² to
allowed by law.

on 1/23/73 I served it on the
the fee for one day's attendance and the mileage

Date 1/23, 1973.

By SA

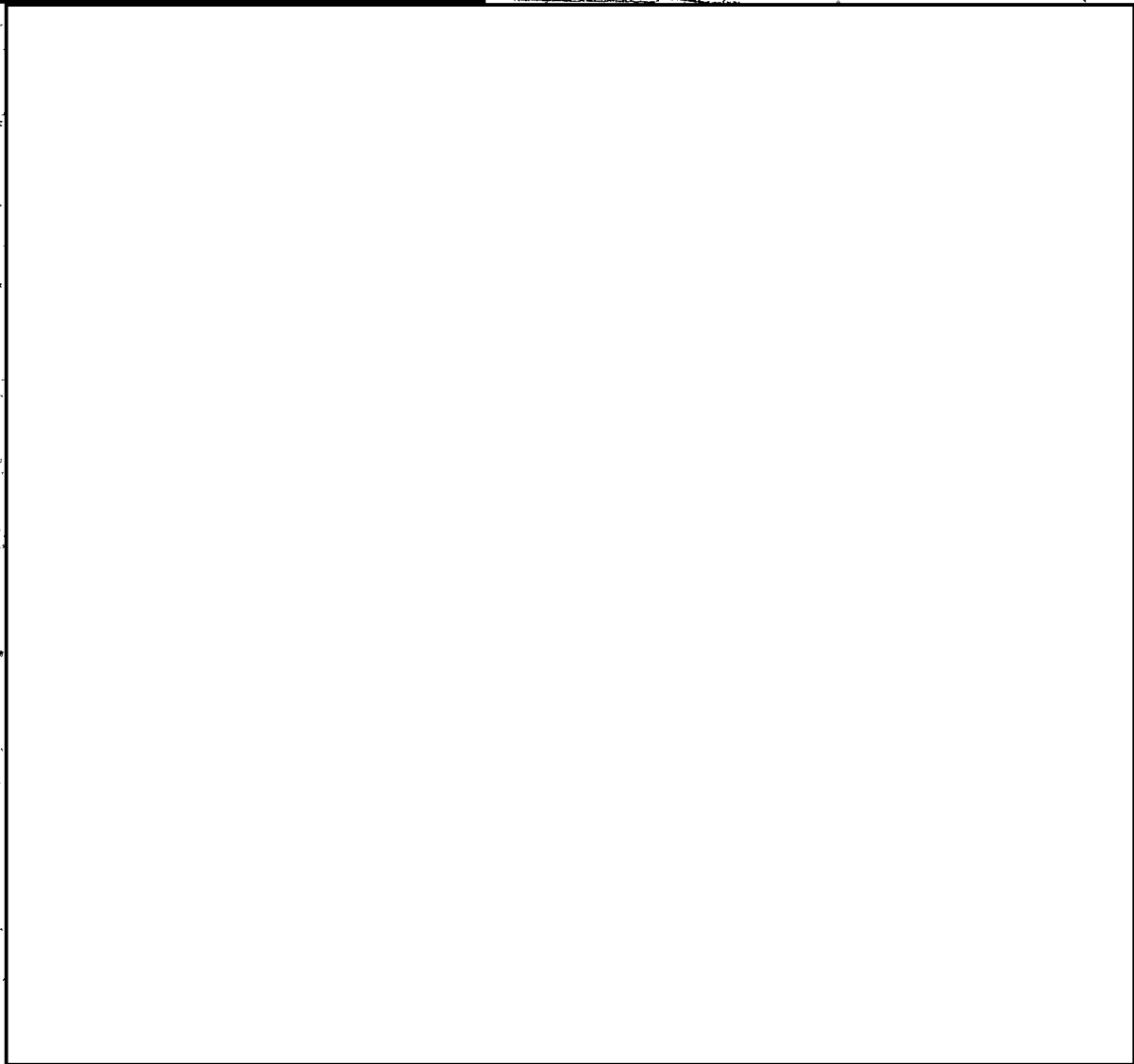
Service Fees
Travel \$
Services \$
Total \$

² Fees and mileage need not be tendered to the witness upon service of a subpoena issued in behalf of the United States or an officer or agency thereof, 28 USC 1825, or on behalf of a defendant who is financially unable to pay such costs (Rule 17(b), Federal Rules Criminal Procedure).

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1-26-73

Pursuant to a subpoena duces tecum served upon

[REDACTED][REDACTED] the following[REDACTED] were obtained for thebelow [REDACTED]Interviewed on 1-23-73

at

St. Louis, Missouri

File #

SL 156-20-70
SL 156-21

by

S. [REDACTED] [Ⓚ]

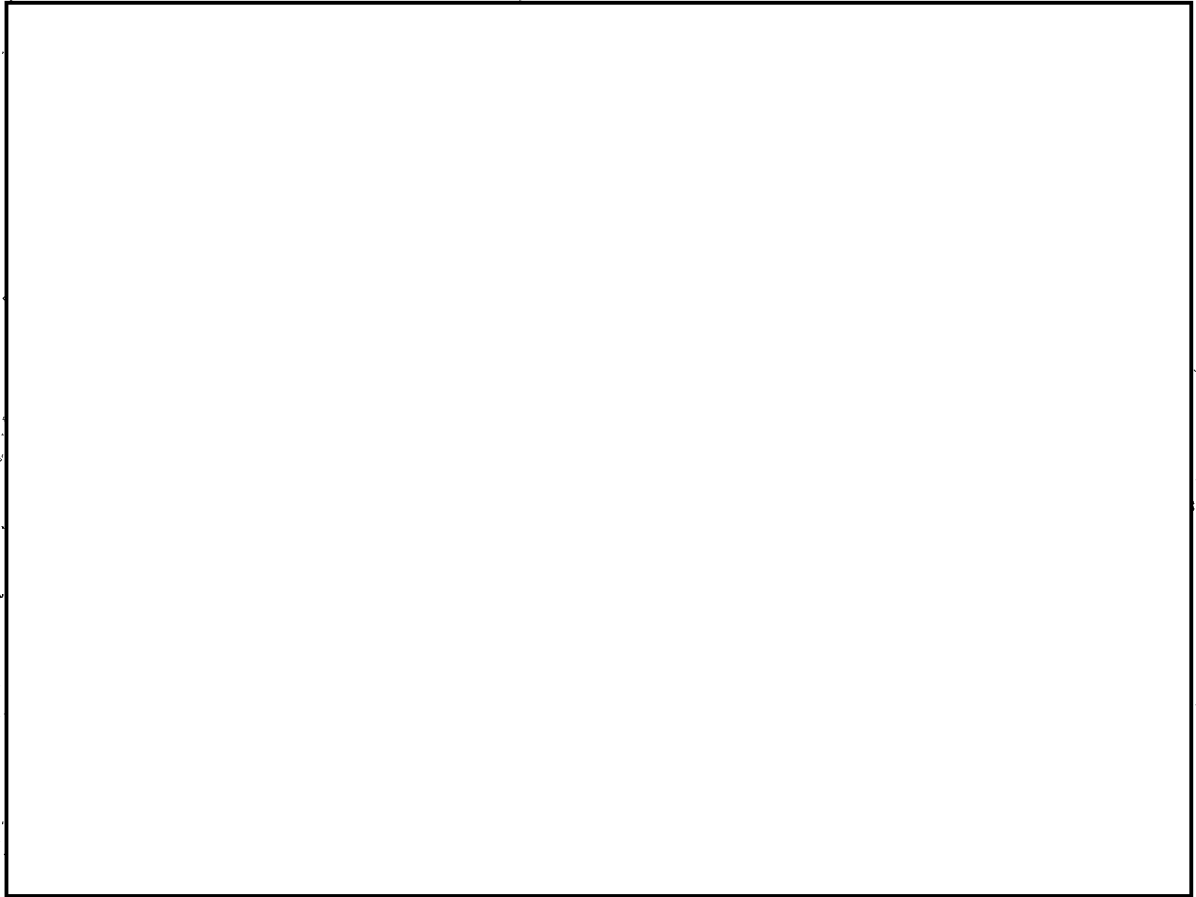
SS

Date dictated

1-25-73

b6
b7C
b7D

SL 156-20
SL 156-21



FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE ST. LOUIS	OFFICE OF ORIGIN ST. LOUIS	DATE 2/15/73	INVESTIGATIVE PERIOD 12/13/72 - 2/9/73
TITLE OF CASE MORRIS A. SHENKER, aka; IRVIN JULIUS KAHN; Pipefitters Union, Local 562 Welfare and Pension Funds St. Louis, Mo.		REPORT MADE BY SA [REDACTED]	TYPED BY jmg
		CHARACTER OF CASE WPPDA	

REFERENCES SL report of SA [REDACTED] 1/5/73;
SL airtel to Bureau 1/29/73.

- P -

ADMINISTRATIVE

Investigative report overlaps that of rerep due to the fact that information provided by San Diego Division regarding the La Costa Country Club Golf Tournament had not been received by St. Louis Division prior to last report.

By letter dated January 12, 1973, addressed to [REDACTED] Attorney in Charge of the Organized Crime Strike Force at St. Louis, a request was made to the St. Louis Strike Force to conduct legal research into the relationship between lawyers in a law firm wherein one

ACCOMPLISHMENTS CLAIMED					<input checked="" type="checkbox"/> NONE	ACQUIT- TALS	CASE HAS BEEN: PENDING OVER ONE YEAR: <input type="checkbox"/> YES <input type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input type="checkbox"/> NO
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES			

APPROVED

SPECIAL AGENT
IN CHARGE

COPIES MADE:

- 3 - Bureau (156-557)
- 1 - USA, St. Louis
- 1 - AIC, St. Louis Field Office, [REDACTED]
- 1 - Los Angeles (156-76) (Info)
- 1 - San Diego (156-5) (Info)
- 2 - St. Louis (156-20)

Dissemination Record of Attached Report

Agency				
Request Recd.				
Date Fwd.				
How Fwd.				
By				

Notations

156-20-71

SEARCHED _____
SERIAL _____
INDEXED _____
FILED _____

SL 156-20

attorney is an employee of the senior attorney in that firm. For information, investigation indicates this to be the arrangement between MORRIS SHENKER and the other attorneys in his law firm. This request for legal research is being handled at the Departmental level, as set out in relet.

By communication dated 2/5/73, the Sacramento Division advised as follows:

On 2/2/73, [REDACTED]

[REDACTED]
[REDACTED] furnished the file regarding [REDACTED] to SA [REDACTED] for review. SA [REDACTED] advised [REDACTED] prior to receipt of this file that its contents would be maintained on a strictly confidential basis, and no dissemination would be made outside the FBI.

b6
b7C
b7D

A review of this file revealed the following information:

b7D

SL 156-20

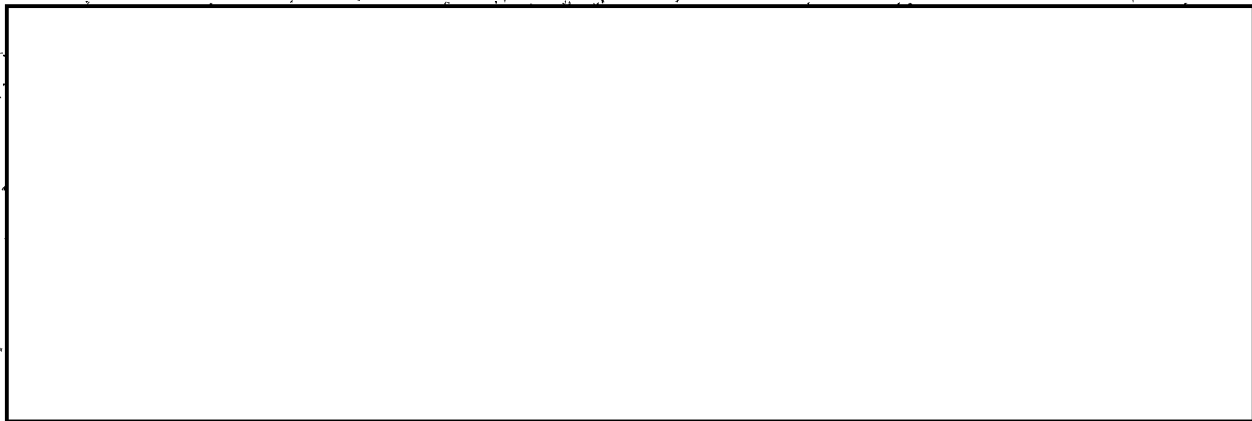
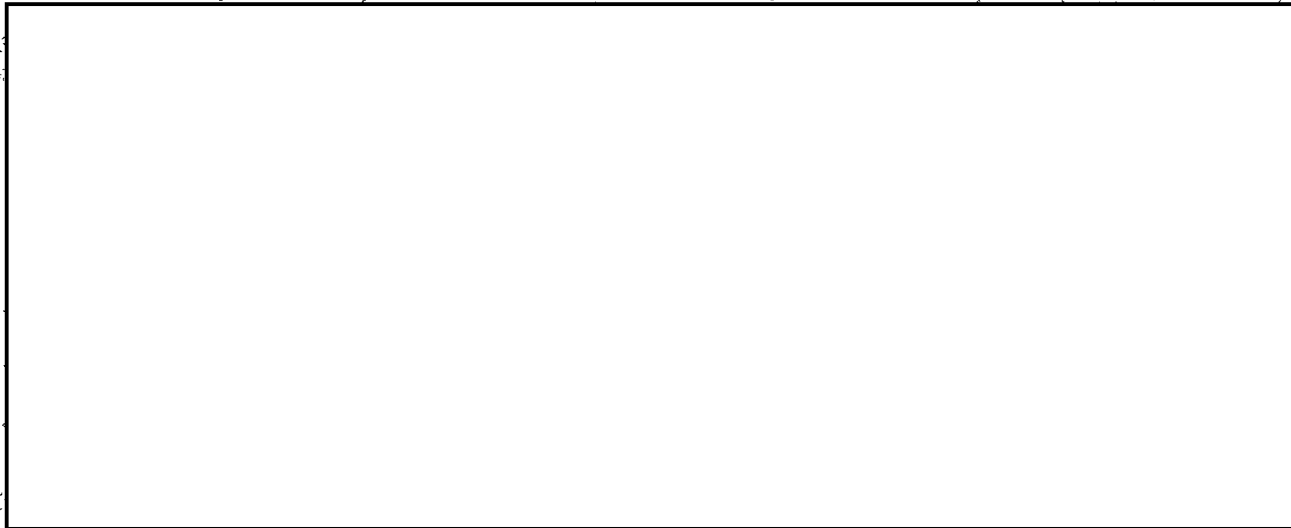
b7D



Also contained in the file were

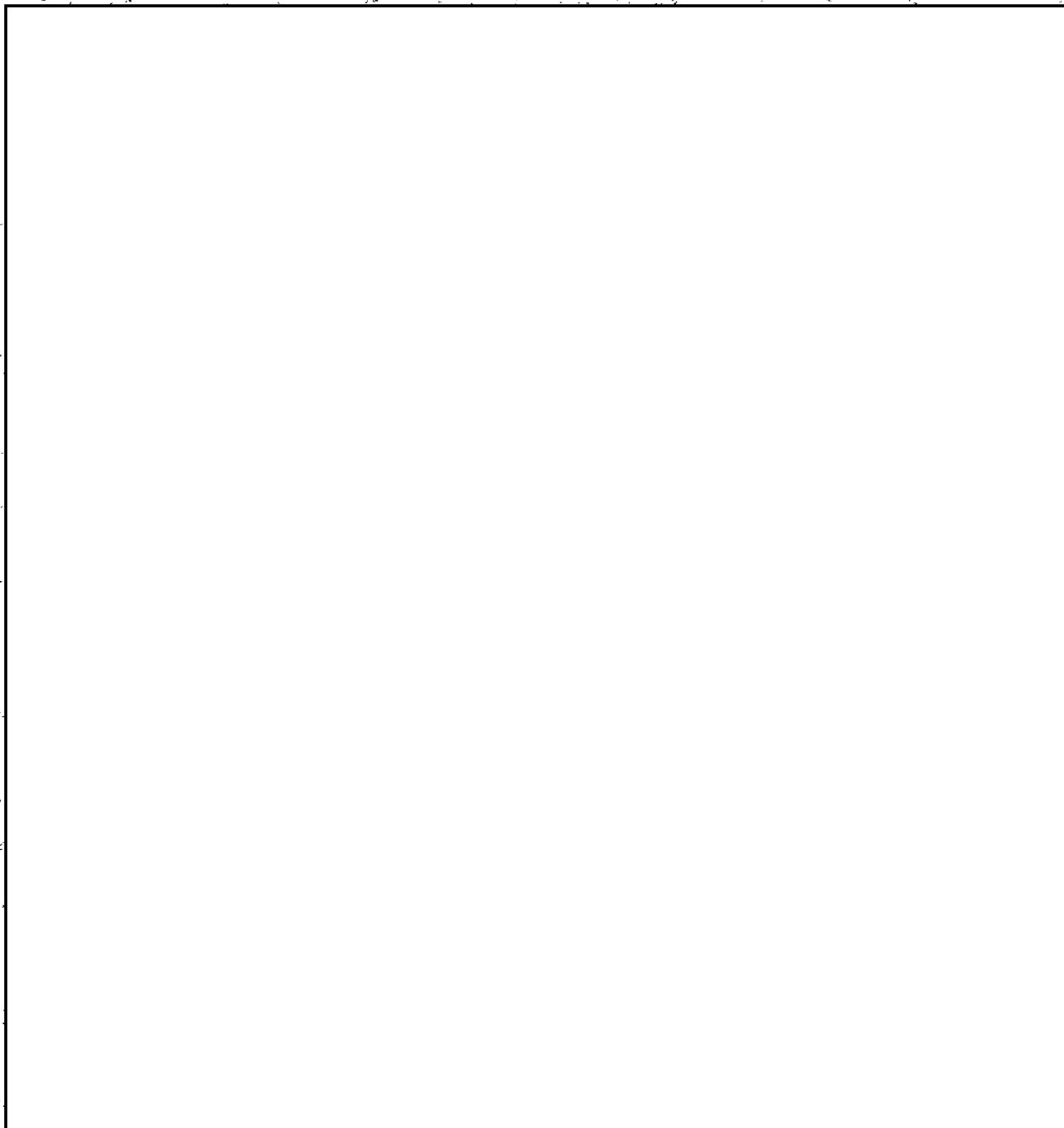


b6
b7C
b7D



- C -
COVER PAGE

SL 156-20



SL 156-20



[redacted]
in the file indicates [redacted]



[redacted] are contained in
the file and indicate [redacted]



The file also contains a [redacted]



- E -
COVER PAGE

SL 156-20

[redacted]
[redacted] advised the San Diego [redacted] Office would have a much more complete file regarding this matter. He indicated [redacted] are contained in that file as opposed to the one in Sacramento.

With respect to issuance of a subpoena duces tecum for information contained in their files, it is the policy of the [redacted] to resist any attempt to subpoena information of a confidential nature. [redacted] explained that the information is confidential in nature, and they have successfully resisted subpoenas in the past. He advised there have been no instances where the matter involved a Federal subpoena; however, and he indicated he could not speculate on the outcome.

By communication dated 12/13/72, the San Diego Division advised that a list had been obtained on a confidential basis of [redacted]

[redacted]
On 1/5/73 and 1/22/73, [redacted] provided the following information:

Informant advised that MORRIS SHENKER is currently [redacted]

SL 156-20

[REDACTED]

Informant also advised that [REDACTED]

[REDACTED]

Leads are currently outstanding to various divisions to determine subscribers to telephone numbers called by SHENKER. Information regarding such telephone calls is set out in this report in synopsis form and lists only those calls which may be pertinent to instant matter. A complete listing of calls not set forth in this report due to extremely large number of same.

A review of St. Louis files reveals that the below information was provided to St. Louis Division by San Diego Division on 8/18/72, pursuant to a different matter and is being set forth in this report to give additional background information regarding the relationship between MORRIS SHENKER and IRVIN KAHN.

b2
b7D

SL 156-20

[redacted] on 6/7/72, furnished the following information:

Informant advised that IRVIN KAHN and MORRIS SHENKER (the St. Louis criminal attorney), along with [redacted] [redacted] had formed a syndicate to purchase the Dunes Hotel and Casino in Las Vegas. SHENKER, KAHN, and [redacted] have been stockholders in the Dunes for several years. Six officers and employees of the Dunes are now under Federal indictment for conspiracy to skim funds. Present operating [redacted] (one of the persons indicted), is selling out his interest in the Dunes.

b6
b7C

Informant advised that KAHN and SHENKER continue to purchase valuable real estate holdings throughout the San Diego and Riverside Counties.

[redacted] on 7/6/72, furnished the following information:

b2
b7D

The biggest loan reported in San Diego last month was \$94 million dollars to IRVIN J. KAHN's organization from the Teamster Union Pension Fund (Southeast-Southwest Conference, based in Chicago). This was part of a \$142 million dollar loan secured by property in several southern California counties. The San Diego County Recorder's Office was swamped with deeds involving the transactions, including about 200 which listed Penasquitos properties and about 600 court recordings which listed trust deeds in favor of Great Western mortgages and seconds in favor of Sports Arena, Inc. (Sports Arena, Inc., is headed by [redacted] Treasurer of the IRVIN J. KAHN organization and includes St. Louis mobster and teamster attorney MORRIS SHENKER who has taken the firm public and is said to be planning to move KAHN-SHENKER properties in San Diego County into the publicly-held corporation Arena.)

b6
b7C

[redacted] have been obtained by the St. Louis Division from the Federal Grand Jury and an extensive review of same is currently underway. Results of this review will be set out in next report. Additionally, all minutes of the Pipefitters Union, Local 562, Welfare and Pension Fund Trustees meetings have been obtained and a similar review is being conducted of same.

b3
b6
b7C

SL 156-20

Information copies being provided Los Angeles and San Diego Divisions due to prior investigation within those divisions and expectations of future investigative requests of those divisions.

LEADS

THE ST. LOUIS DIVISION

AT ST. LOUIS, MO.

1. Upon completion of review of [REDACTED] [REDACTED] will conduct logical follow-up investigation. b3
b6
b7C
2. Will obtain and review Income Tax Returns of [REDACTED] to determine nature of salary arrangement between he and SHENKER.
3. Upon completion of review of Pipefitters Union, Local 562, Welfare and Pension Fund Trustees minutes, will interview said trustees regarding their knowledge of MORRIS SHENKER and IRVIN KAHN. b6
b7C
4. Will seek issuance of Federal Grand Jury subpoena duces tecum to obtain notes and other documents reflecting manner in which loans to IRVIN KAHN were disbursed, and thereafter will attempt to trace disbursements of loan proceeds.
5. Will maintain contact with St. Louis Strike Force Attorney [REDACTED] concerning this matter.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

1 - U. S. Attorney, St. Louis
1 - AIC, St. Louis Field Office, [REDACTED]Report of:
Date:SA [REDACTED]
February 15, 1973

Office: ST. LOUIS

Field Office File #:

SL 156-20

Bureau File #: 156-557

Title:

MORRIS A. SHENKER;
IRVIN JULIUS KAHN;
PIPEFITTERS UNION, LOCAL 562
WELFARE AND PENSION FUNDS
ST. LOUIS, MISSOURI

Character:

WELFARE AND PENSION PLANS DISCLOSURE ACT

Synopsis:

Additional background information regarding relationship between MORRIS SHENKER and IRVIN KAHN set forth. Review of cancelled checks, monthly statements, bills, and invoices of Pipefitters Union, Local 562, revealed numerous checks to members of Morris A. Shenker Law Firm and to St. Louis Law Printing Co. Review of records of St. Louis Law Printing Co. revealed extensive printing work done for MORRIS A. SHENKER Law Firm on behalf of Pipefitters Union, Local 562. News article appeared in St. Louis Post-Dispatch on 2/4/73, stating that [REDACTED] MORRIS SHENKER, has taken over management of Murietta Hot Springs in California. Information set forth regarding long distance telephone calls charged to MORRIS SHENKER. Investigation continuing.

- P -

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I. BACKGROUND OF IRVIN KAHN AND MORRIS A. SHENKER.	3
II. MORRIS A. SHENKER'S POSITION AS LEGAL COUNSEL FOR PIPEFITTERS UNION, LOCAL 562	12
III. INTEREST ACQUIRED BY MORRIS A. SHENKER IN MURIETTA HOT SPRINGS	21
IV. MISCELLANEOUS INVESTIGATION.	22

SL 156-20

DETAILS:

- I. BACKGROUND OF IRVIN KAHN AND MORRIS A. SHENKER
AT SAN DIEGO, CALIFORNIA

FEDERAL BUREAU OF INVESTIGATION

Date January 26, 1973

Files maintained by the Clerk, Superior Court of the State of California for the County of San Diego, when reviewed on January 24, 1973, revealed a complaint for Declaratory Relief was filed on February 25, 1970, by attorneys for [redacted] as Plaintiff vs. IRVIN J. KAHN and [redacted] individually and doing business as THE IRVIN J. KAHN ORGANIZATION, THE PENASQUITOS CORPORATION, a corporation, doing business as RANCHO LOS PENASQUITOS, RANCHO LOS PENASQUITOS, DOE I-XX, Defendants.

The complaint in part alleges as follows:

"Commencing in or about 1947, plaintiff became actively engaged in various and extensive real estate ventures as an individual, as a partner in LOUIS LESSER ENTERPRISES, LTD., a limited partnership, and as an officer and shareholder in LOUIS LESSER ENTERPRISES, INC., a corporation. As a result of said activities, plaintiff acquired special knowledge and ability in obtaining financing for real estate ventures from various sources, including MORRIS SHENKER (hereinafter referred to as "SHENKER") and CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION FUND (hereinafter referred to as "THE FUND"). At all times mentioned herein, SHENKER was and is now an agent of THE FUND, authorized to obtain substantial loans and loan

On 1/24/73 at San Diego, California File # SD 156-5

by SA [redacted] /gar Date dictated 1/24/73

commitments from THE FUND or to influence the granting of substantial loans and loan commitments from THE FUND to parties designated by him.

Commencing in or about 1950, plaintiff became acquainted with defendant KAHN. Plaintiff thereafter as an individual, as a partner of said partnership, or as an officer and shareholder in said corporation, participated with defendant KAHN and his affiliate companies in numerous real estate ventures.

On or about and prior to April 29, 1965, each of the defendants herein owned an interest in a large acreage of unimproved real property commonly known as RANCHO LOS PENASQUITOS, located in the County of San Diego, hereinafter referred to as "said property", which property consisted of approximately 12,000 acres. Said defendants were then in dire need of funds to meet the financial commitments pertaining to said property and the improvement thereof. Defendant KAHN then recognized that said property was or would soon be subject of foreclosure. Defendant KAHN then recognized that it was imperative that substantial funds be obtained. Defendant KAHN then recognized that plaintiff in the past had obtained such funds from or through SHENKER and THE FUND, and each of them. Defendant KAHN then

recognized that plaintiff's ability to introduce and recommend KAHN to SHENKER, and to influence the granting of substantial loan commitments from THE FUND were matters of extreme value to KAHN and the KAHN AFFILIATE COMPANIES. On or about April 29, 1965, defendant KAHN importuned and solicited plaintiff's assistance in securing said funds from and through SHENKER and THE FUND, and orally made the following offer to plaintiff herein:

If plaintiff would introduce and recommend KAHN to SHENKER and loan commitments from THE FUND in sums totaling not less than \$6,000,000.00 were thereafter obtained, plaintiff would then be paid one-half of KAHN's "position" in said property, i.e.; one-half of his ownership interest in THE PENASQUITOS CORPORATION, record owner of said property; that plaintiff and KAHN both anticipated that in order to obtain the necessary financing from THE FUND, it might be necessary to convey an equity interest in said property to THE FUND, and that plaintiff's one-half interest in said

property would be determined after this equity interest was determined and conveyed; that until that event, defendants, and each of them, would hold said one-half interest in trust for the sole use and benefit of plaintiff.

Plaintiff then and there accepted said offer.

On or about Wpril 29, 1965, plaintiff introduced and recommended KAHN to SHENKER. As a result thereof, defendants, and each of them, obtained said loan commitment from or through THE FUND in an amount exceeding \$6,000,000.00; thereafter, KAHN obtained further commitments from THE FUND for THE PENASQUITOS property, the amounts of which are well known to defendants but unknown to plaintiff, but plaintiff is informed and believes that these additional commitments from THE FUND for PENASQUITOS are in amounts in excess of \$50,000,000.00.

Plaintiff prays for a Judgment or Decree of this Court, as follows:

(1) Declaration of the legal rights and duties of the parties with respect to each other arising out of said contract;

SD 156-5
5

- (2) Dissolution of said partnership or joint venture and an accounting;
- (3) Specific performance of the terms of said contract;
- (4) The establishment of a resulting trust and an accounting;
- (5) Costs of suit incurred herein"

The records further reflect the following action having been taken in the matter on the dates indicated:

June 24, 1970

Stipulated Order Regarding
Production of Documents

Filed by attorneys for
defendant

Approved June 24, 1970,
by Judge, Superior Court

October 10, 1970

Notice of Motion and Motion
for Order for Production of
Documents, Points and
Authorities and Supporting
Declaration by [redacted]
[redacted]

November 13, 1970

Memo of Points and Authorities
in Opposition to Plaintiff's
Notice of Motion for Production
of Documents

Filed by attorneys for
defendant.

SD 156-5

6

November 17, 1970

Plaintiff's Motion for Order
for Production of Documents

"Granted as Prayed for"
by Judge, Superior Court

December 3, 1970

Notice of Order for
Production of Documents.

Filed by attorneys for
plaintiff.

February 17, 1971

Notice of Motion for Order of
Reference, Severance and
Protective Orders

Filed by attorneys for
defendant.

March 10, 1971

Points and Authorities in
Opposition to Defendant's
Motion for Severance and
Protective Orders

Filed by attorneys for
plaintiff.

March 10, 1971

Notice of Motion and Motion
for Order for Production of
Documents, Points and Authoritic
and Supporting Declaration
of

March 26, 1971

Memo of Points and Authorities
in Opposition to Plaintiff's
Notice of Motion for Production
of Documents.

Filed by attorneys for
defendant

June 18, 1971

Order Regarding Production of
Documents and Protective
Orders

Filed by attorneys for
defendant

"Ordered that trial of the
issue of liability is severed
from and shall precede the
trial of the issue of damage.
Orders further that until
such time as the issue of
liability is fully tried and
resolved, plaintiffs shall not
be entitled to any form of
discovery pertaining to the
issue of damages.

"Further Order that plaintiff's
Motion for the Production of
Balance Sheets, Profit and
Loss Statements, Original
Journals and because of accounts
of PENASQUITOS CORPORATION and
subsidiaries for years 1965
through 1970 is denied".

August 2, 1971

Notice of Motion and Motion
for Order Imposing Sanctions
on Party for Wilful Failure
to Produce Documents Pursuant
to Previous Court Order

SD 156-5

8

October 19, 1971

Plaintiff's Motion for Order
Imposing Sanction denied
by Judge BONSALE NOON.

June 26, 1971

Substitution of Attorney
[redacted] in propria persona
for [redacted] and
[redacted]

AT ST. LOUIS, MISSOURI

On January 30, 1973, an article appeared in the St. Louis Globe-Democrat newspaper entitled, "Teamster Head Gave \$4,000 To Nixon Drive". This article stated that Teamsters Union President FRANK E. FITZSIMMONS contributed \$4,000 to President RICHARD M. NIXON's recent Presidential Campaign. The article also stated that another large contributor to President NIXON's campaign was "Irvin J. Kahn of La Jolla, California, a real estate developer who formerly had connections with the Teamsters Union".

II. MORRIS A. SHENKER'S POSITION AS LEGAL COUNSEL FOR
PIPEFITTERS UNION, LOCAL 562

FEDERAL BUREAU OF INVESTIGATION

Jan. 8/73

Date of transcription

1

A review was conducted of all bills and invoices received by the Pipefitters Union Local 562, 1242 Pierce, St. Louis, Missouri, for services rendered and goods sold to that Union for the period between January 1, 1970 and September 30, 1972 inclusive. This review revealed the existence of the following items:

(1) On January 6, 1970, a letter was addressed to the Union from the law firm of MORRIS A. SHENKER reading, "Enclosed is a bill for the space being used to store the Union's records. MORRIS SHENKER has been using part of the space. Please pay half of the bill, \$112.50. Thank you." Attached to this letter is a bill from Vittert Construction and Investment Company, 408 Olive Street, St. Louis, Missouri, charging \$225 rent for room 811 for the period of October, 1969 to December, 1969.

(2) On April 7, 1970, a letter was received by the Union from the law firm of MORRIS A. SHENKER reading, "Please pay half of this bill (\$112.50) for space wherein your Union records are stored." Attached to this letter is a bill from Vittert Construction and Investment Company charging \$225 rent for room 811 from January, 1970 to March 31, 1970.

(3) On July 3, 1970, the Union received a bill from [redacted] Attorney at Law, for legal services in the amount of \$15037.50.

(4) On July 14, 1970, the Union received a letter from the law firm of MORRIS A. SHENKER reading, "I am enclosing a copy of a bill for rent on your portion of room 811 from April 1, 1970 to June 30, 1970. Union records are stored in one of these two rooms. I would appreciate it if you would pay enclosed bill." Attached to this letter are two bills from Vittert Construction and Investment Company in the amount of \$112.50 each for rental on room 811 between April 1, 1970 and September 3, 1970.

Interviewed on 1/3/73 at St. Louis, Missouri File # SL 156-20

by SA [redacted] :lsj Date dictated 1/4/73

2

SL 156-20

(5) On April 5, 1971, a letter was received by the Union from the law firm of MORRIS A. SHENKER reading, "Enclosed is a bill for your portion of the rental on the rooms where the Union's records are stored. Please pay this." Attached to this letter is a bill from Vittert Construction and Investment Company in the amount of \$112.50 for rental on room 811 for the period between April 1, 1971 and June 30, 1971.

(6) On July 12, 1971, a letter was addressed to the Union from [redacted] Attorney At Law, billing the Union for \$10837.50 for professional services rendered between July 1, 1970 and June 30, 1971.

(7) An undated bill from Vittert Construction and Investment Company charging \$112.50 rental on room 811 for the period between January 1, 1972 and March 31, 1972.

(8) On April 10, 1972, a letter was addressed to the Union from [redacted] Attorney At Law, billing the Union in the amount of \$13462.50 for professional services rendered between July 1, 1971 and March 30, 1972.

(9) On September 10, 1970, a letter was addressed to the Union from the MORRIS A. SHENKER law firm reading, "Enclosed you will find a bill from the St. Louis Law Printing Company in the amount of \$175.80. This expense was incurred by this office when we prepared and printed the 50 copies of Appellant's Petition For Rehearing By The Court En Banc. Will you please have a check drawn made payable to St. Louis Law Printing Company in the amount of \$175.80? Please notify me that the bill is paid or you may forward the check to me and I will see to it that it gets to St. Louis Law Printing. If you have any questions, call either myself, [redacted] or Mr. SHENKER. Very truly yours, [redacted] Attached to this letter is a bill from St. Louis Law Printing Company for \$175.80.

(10) On September 22, 1970, a letter was addressed to the Union from the law offices of MORRIS A. SHENKER forwarding a bill from the St. Louis Law Printing Company in the amount of \$100.18.

SL 156-20

(11) On December 22, 1970, a letter was addressed to the Union from the law offices of MORRIS A. SHENKER forwarding a bill from St. Louis Law Printing Company in the amount of \$78.03. Attached to this letter is the bill from St. Louis Law Printing Company in the amount of \$78.03. This bill is addressed to "Mr. Morris A. Shenker, Attorney at Law, 408 Olive Street, St. Louis, Missouri 63102."

(12) On February 1, 1971, a letter was addressed to the Union from the MORRIS A. SHENKER law offices forwarding a bill from St. Louis Law Printing Company in the amount of \$1257.70. Attached to this letter is a bill from St. Louis Law Printing Company in the amount of \$1257.70 addressed to "Mr. Morris A. Shenker, Attorney at Law, 408 Olive Street, St. Louis, Missouri 63102."

(13) On December 3, 1971, a letter was addressed to the Union from the law offices of MORRIS A. SHENKER forwarding two bills from St. Louis Law Printing Company. The first bill is dated November 15, 1971 and is in the amount of \$12637.85 and is addressed to "Pipefitters Local Union #562, St. Louis, Missouri, c/o Morris A. Shenker, Attorney at Law, 408 Olive Street, St. Louis, Missouri." The second bill is identically addressed and is dated November 24, 1971 in the amount of \$4058.15.

(14) On March 15, 1972, a letter was addressed to the Union from the law offices of MORRIS A. SHENKER forwarding bill from the St. Louis Law Printing Company in the amount of \$235.61. Attached to this letter is the bill from St. Louis Law Printing Company in that amount which is addressed to "Mr. Morris A. Shenker, Attorney at Law, 408 Olive Street, St. Louis, Missouri 63102."

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/13/73

A review was conducted of [REDACTED]

[REDACTED] pursuant to a subpoena duces tecum served upon [REDACTED]

Interviewed on 2/2/73 at St. Louis, Mo. File # SL 156-20by SA [REDACTED] /jmg Date dictated 2/7/73b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

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b7C
b7D

3

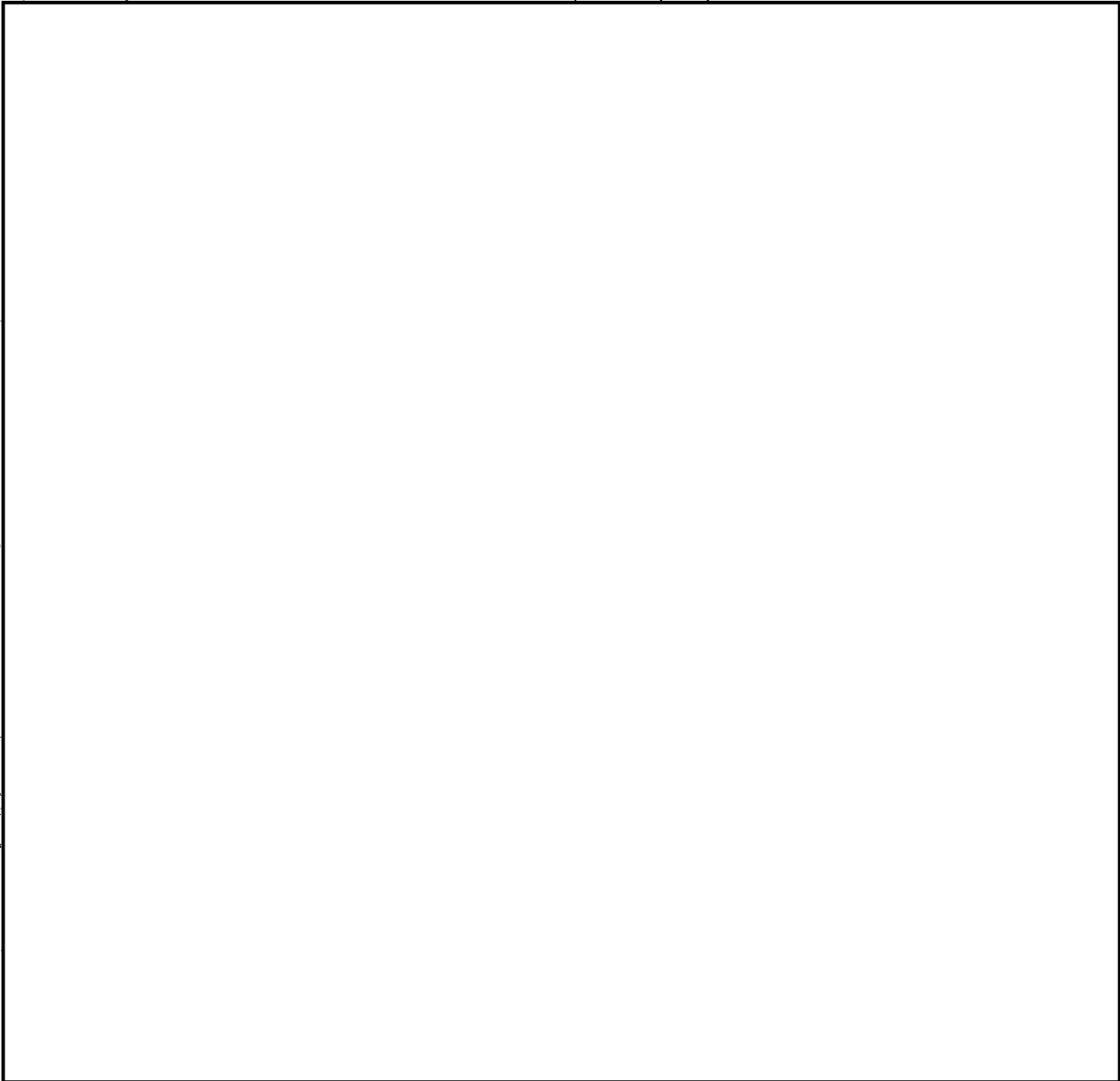
SL 156-20

In addition to [REDACTED]

[REDACTED] were reviewed as described below regarding

This

review revealed the following [REDACTED]



III. INTEREST ACQUIRED BY MORRIS A. SHENKER IN MURIETTA
HOT SPRINGS

AT ST. LOUIS, MISSOURI

On February 4, 1973, an article appeared in the St. Louis Post-Dispatch newspaper entitled, "Mrs. Shenker Manages Spa". The following is the text of this article:

"Mrs. Lillian Shenker, wife of widely-known St. Louis lawyer Morris A. Shenker, has taken over the management of Murrieta Hot Springs, a 3000-acre resort spa and land development between Los Angeles and San Diego.

"Mrs. Shenker, a lawyer herself and former St. Louis police judge in the late 1940s, replaced Irvin J. Kahn as president of the California corporation. Kahn is a San Diego real estate developer who took title to the original 500 acres of property in 1969. He is now chairman of Murrieta Hot Springs.

"Kahn acquired the 71-year-old resort spa for \$1,300,000, with money lent by Sidney L. Wyman, part owner of the Dunes casino in Las Vegas. Wyman is a one-time St. Louis bookmaker.

"The Shenkers have invested \$300,000 in the Murrieta Hot Springs venture, a small portion of the St. Louis and Las Vegas money that has been invested, estimated at about \$10,000,000.

"The largest sum from here was \$4,500,000, invested by the St. Louis pipefitters' pension fund.

"Sorkis Webbe, former public administrator of St. Louis, invested \$100,000. In addition, the Bank of Las Vegas lent \$3,000,000 to the development, the second largest amount of capital assembled. Morris Shenker played a leading role in assembling the capital.

"Mrs. Shenker has been in California about two months. 'Right now, the main thing is

to get this thing off the ground,' Mrs. Shenker said in a telephone interview, adding that 'it took one of us out here to get this thing rolling.'

"Both (Shenker and Kahn) begged me to do this,' she said, 'particularly because of my experience in the hotel business.' She was secretary of the Hotel Management Co.

"Her brother, Harold Koplar, heads Koplar Enterprises, owner of the Chase-Park Plaza Hotel, KPLR-TV, Channel 11, land developments and resorts at Lake of the Ozarks, Mo., in addition to running a hotel in Puerto Rico.

"Mrs. Shenker has named Pat Dickson, who operated the spa at the Lodge of the Four Seasons, Lake of the Ozarks, to administrator of the California spa.

"The resort has 300 rooms, Mrs. Shenker said, with 200 rooms 'in the first-class category.' The accommodations are in clusters, mostly two-story buildings.

"In addition, there is an 18-hole golf course. Gay Brewer, a professional golfer, is the course pro.

"Besides the resort operation, Murrieta Hot Springs has condominiums, town houses and mobile home parks."

IV. MISCELLANEOUS INVESTIGATION

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/13/73

[redacted]
[redacted] were reviewed pursuant to a
subpoena duces tecum served upon [redacted]
[redacted]

[redacted] are as follows and are [redacted]
[redacted]
[redacted]

Interviewed on 1/5/73 at St. Louis, Mo. File # SL 156-20

by SA [redacted] jmg Date dictated 1/9/73

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

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b7C

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/14/73

A review of the City Directory for the City of St. Louis revealed the following subscriber names and addresses for the below-listed telephone numbers:

[Redacted area]

Interviewed on 2/9/73 at St. Louis, Mo. File # SL 156-20by SA [Redacted] /jmg Date dictated 2/14/73

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

SL 156-20



UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (156-20)

DATE: 2/22/73

FROM : SAC, LOS ANGELES (156-74)(P)

SUBJECT: IRVIN JULIUS KAHN, aka;
MORRIS A. SHENKER;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUND
ST. LOUIS, MISSOURI
WPPDA
Bufile 156-557
St. Louis File 156-20

MORRIS A. SHENKER, aka;
[REDACTED] ETC;

TEAMSTERS UNION CENTRAL STATES
SOUTHEAST AND SOUTHWEST AREAS
PENSION FUND
CHICAGO, ILLINOIS
WPPDA
Bufile 156-549
St. Louis File 156-21

Re St. Louis airtel to Los Angeles, dated 1/22/73.

AT SANTA BARBARA, CALIFORNIA

The following investigation was conducted by SA
[REDACTED]

On 2/13/73, records of the Santa Barbara Police Department and Sheriff's Office were searched in an unsuccessful attempt to locate any record identifiable with [REDACTED]
[REDACTED]

On 2/12/73, [REDACTED]
University of California at Santa Barbara (UCSB) advised that [REDACTED]
[REDACTED] According to

- ④ - St. Louis
- ② - 156-21)
- 2 - Los Angeles

RXR/bjb
(6)

156-20-72

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 25 1973	



LA 156-76

[redacted] previously held telephone number [redacted] but now may be reached at telephone number [redacted]. This is a number set forth in student records, and became effective at the end of September 1972. [redacted]

[redacted] He was born on [redacted] manent residence remains [redacted]

[redacted] which presumably is the address of his parents. He first entered UCSB during [redacted] as a junior and he is currently enrolled, according to [redacted] His Social Security Account Number (SSAN) is [redacted]

An individual in a position to know advised on 2/9/73, that [redacted] obtained published telephone service at [redacted] at which time [redacted] indicated he was a student at UCSB. Telephone number installed was [redacted]

1
SF 156-43
DEL:mbw

The following investigation was conducted by
SA [REDACTED]

AT SAN FRANCISCO, CALIFORNIA

Subscribers of San Francisco telephone numbers
[REDACTED] and [REDACTED] are identified as follows:

Published telephone number 415-398-2578 is listed for G. H. Walker and Company, Incorporated, 650 California Street, San Francisco. This number was established in November of 1971. The G. H. Walker and Company, Incorporated is a stock broker company. The current San Francisco Telephone Directory, dated September, 1972, in the classified section "Stocks and Bond Brokers" lists the G. H. Walker and Company, Incorporated, not only at the 650 California Street address, but also additional offices in Portland, Oregon; Salem, Oregon; Salt Lake City, Utah; Vancouver, British Columbia; Seattle, Washington; and Los Angeles, California, together with the telephone exchange numbers to call at no charge.

Published telephone number 415-771-1400, is listed for the Hilton Hotel, 330 O'Farrell Street, San Francisco.

AT SAN JOSE, CALIFORNIA

Subscribers of telephone numbers 408-688-3274 (Aptos, California) and [REDACTED] (San Jose, California) are identified as follows:

Published telephone number 408-688-3274 is listed for Aptos Seascap Corporation (Corporate Office), 610 Clubhouse Drive, Rio Del Mar, California. There is an additional listing for this number under the name of Seascap Del Mar at the same address. This is a construction company and the telephone number was established in May of 1964.

156-20-94

SEARCHED	INDEXED
SERIALIZED	FILED

2
SF 156-43
DEL:mbw

Nonpublished telephone number [redacted]
was listed for [redacted]
[redacted] This telephone was disconnected
on September 19, 1972, for nonpayment.

The San Francisco indices contain no information on the G. H. Walker and Company, Incorporated, Hilton Hotel, Aptos Seascape Corporation, Seascape Del Mar, or [redacted]

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS

DATE: 2/9/73

FROM *mbw* SAC, SAN FRANCISCO (156-43) (RUC)

SUBJECT: IRVIN JULIUS KAHN, aka;
MORRIS A. SHENKER;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUND
ST. LOUIS, MISSOURI
WPPDA
BUFILE: 156-557
SL FILE: 156-20

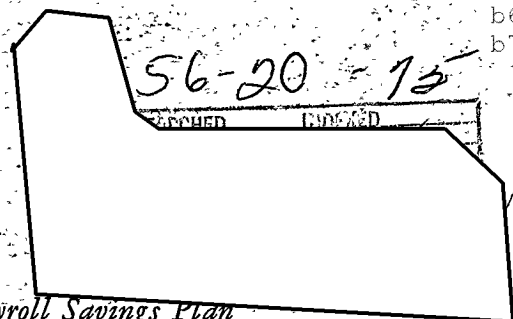
MORRIS A. SHENKER, aka;
[REDACTED] ETC;
TEAMSTERS UNION CENTRAL STATES
SOUTHEAST AND SOUTHWEST AREAS
PENSION FUND
CHICAGO, ILLINOIS
WPPDA
BUFILE: 156-549
SL FILE: 156-21

Re St. Louis airtel to Los Angeles, 1/22/73.

Enclosed herewith are nine (9) copies of an insert containing the results of identifying the subscribers of two San Francisco telephone numbers, one Aptos telephone number, and one San Jose, California, telephone number.

[REDACTED] furnished the identity of the subscribers to the four telephone numbers on 2/1/73.

④ - St. Louis (Enc. 9)
(2) - 156-20)
(2 - 156-21)
1 - San Francisco
DEL:mbw C-2
(5)



b2
b7D

b6
b7C

b6
b7C

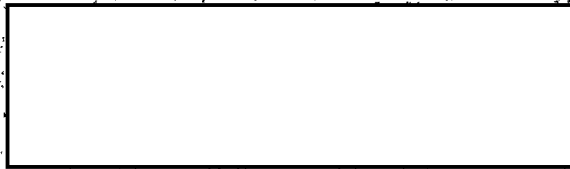
1
SD 156-5
CJK/mjz

The following investigation was conducted by
SA 

AT SAN DIEGO, CALIFORNIA

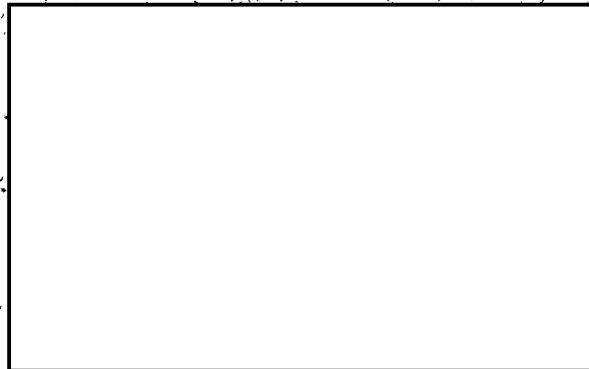
The Haines, 1973 San Diego City and Suburban
Criss-Cross Telephone Directory shows the subscribers to
the following telephone numbers:

459-4461
Royal Inn
7830 Fay
La Jolla, California




453-6050
Digital Scientific
11455 Sorrento Valley Road
San Diego, California

453-0020
Industrial Developers
3344 Industrial
San Diego, California



156-20-78

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 1978	

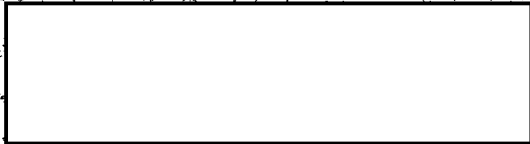


2
SD 156-5

729-9111
La Costa Country Club
Carlsbad, California
with additional listings

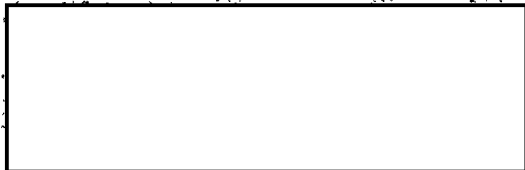


7189 Estrella De Mar
(La Costa);
Avis Rent-A-Car
La Costa

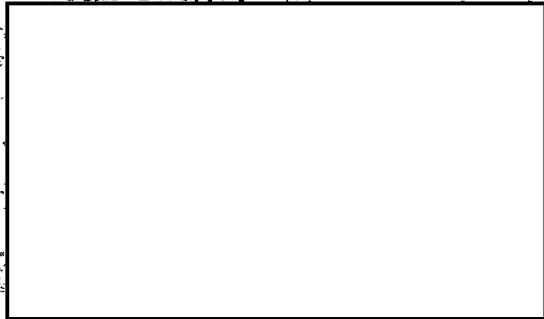


276-5130
Penasquitos Inc.
3010 Cowley Way
San Diego, California

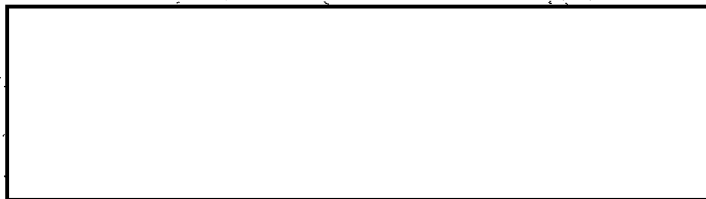
239-6081
Title Insurance and Trust Company
San Diego, California



234-3631
Charlie's Joint
A Tavern and Restaurant
304 C Street
San Diego, California



3.
SD 156-5




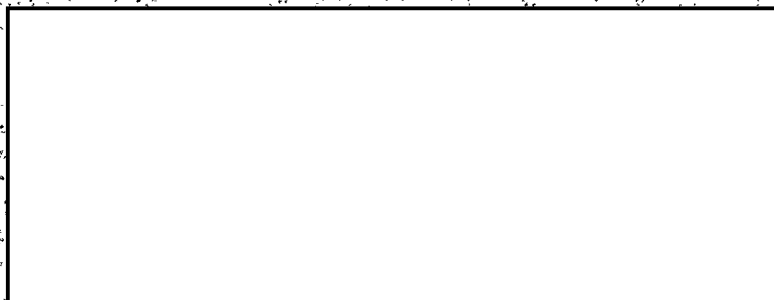
b6
b7C

The following numbers were not listed in the Criss-Cross Directory but are not un-published numbers. The identities of the subscribers was obtained from the Telephone Company:

233-5386
Sports Arena, Inc.
110 West C Street
Suite 1000
San Diego, California

276-5136
IRVIN J. KAHN Organization
3010 Cowley Way
San Diego, California
(Main Number 276-5130)

The following two numbers are un-published numbers and can be obtained only by subpoena to 



b6
b7C
b7D

F B I

Date: 2/20/73

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Priority)

TO: SAC, ST. LOUIS

FROM: SAC, SAN DIEGO (156-5) ~~CR~~ RUC

IRVIN JULIUS KAHN, aka;
MORRIS A. SHENKER;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUND
ST. LOUIS, MISSOURI
WPPDA
BUFILE: 156-557
SL FILE: 156-20

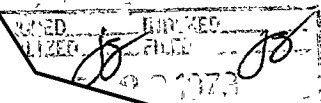
MORRIS A. SHENKER, aka;
[REDACTED] ETC;
TEAMSTERS UNION CENTRAL STATES
SOUTHEAST AND SOUTHWEST AREAS
PENSION FUND
CHICAGO, ILLINOIS
WPPDA
BUFILE: 156-549
SL FILE: 156-21

Re St. Louis airtel to Los Angeles, 1/22/73.

- ④ - St. Louis (Encs-4)
 (2-156-20)
 (2-156-21)
2 - San Diego

CJK/mjz
(6)

156-20-79



Approved: _____

Special Agent in Charge

Sent _____

M

Per _____

SD 156-5

Forwarded herewith are four copies of an insert reflecting investigation in the San Diego Division.

The person furnishing information concerning non-published telephone numbers is [redacted]
[redacted]

The San Diego Indices were negative on all individual subscribers listed in the insert with the following exceptions:

[redacted] is mentioned in San Diego File 92-1007-1, Page 14, as having been invited to the FRANK FITZSIMMONS Invitational Golf Tournament at La Costa on 9/15-19/71.

[redacted] are mentioned in San Diego File 92-961-3. This serial is a letter from Dallas, Dallas file 92-339 to Atlanta, Atlanta file 92-904, requesting the identity of subscriber to telephone [redacted]

[redacted] This number was listed to [redacted] and [redacted]
[redacted] was employed by [redacted]
San Diego and formerly lived at [redacted]
[redacted]

[redacted] also formerly resided at [redacted]
[redacted]

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (156-20)

DATE: 2/26/73

FROM : SAC, LOS ANGELES (156-76) (P)

SUBJECT: MAURICE A. SHENKER, aka;
ET AL
WPPDA
OO: St. Louis
Bufile 156-557

Re St. Louis airtel to Los Angeles dated 1/15/73,
and 1/22/73.

Enclosed for the St. Louis Division is one copy
each of eleven recorded documents obtained from the Riverside
County Recorder's Office, Riverside, California.

AT RIVERSIDE, CALIFORNIA

On February 20, 1973, SA [] obtained
certified copies of the following recorded documents from the
Riverside County Recorder's Office, Riverside, California.
These documents are identified by the following numbers:

- 68491 - Subordination Agreement
- 68492 - Subordination Agreement
- 68493 - Corporation Deed of Trust and Assignment
of Rents
- 68494 - Subordination Agreement
- 68495 - Subordination Agreement
- 68496 - Corporation Deed of Trust and Assignment
of Rents
- 68497 - Subordination Agreement
- 68498 - Subordination Agreement
- 92529 - Subordination Agreement
- 92530 - Subordination Agreement
- 108161 - Application for a License Transfer

LEAD

LOS ANGELES

Note spelling side.

AT LOS ANGELES, CALIFORNIA: Will com. investigation
to determine subscribers to telephone numbers set out in
referenced communication and will thereafter check through indices.

- ② - St. Louis (Enc. 11)
2 - Los Angeles
DRS/vmk
(4)

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan



156-20-80

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 28 1973	

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (156-20)

DATE: 3/9/73

FROM : SAC, WFO (156-57) - RUC-

SUBJECT: MORRIS A. SHENKER, aka;
IRVIN JULIUS KAHN
PIPERFITTERS UNION
LOCAL 526
WPPDA
(00:WFO)

Enclosed for St. Louis Division are twelve enclosures consisting of eight inserts regarding telephone subscribers in Washington, D.C., and four FD-302s of interview with [redacted] Attorney.

WFO indices contained no record relating to Wayne Smith Co., Inc., 500 12th Street, S.W., or [redacted]

WFO indices were not checked on the Department of Housing and Urban Development, American Bar Association, International Brotherhood of Teamsters, Chauffeurs Warehousemen Helper Union and the Madison Hotel.

For information of St. Louis [redacted] and a member of the firm of Kimmel-Crowell and Weaver, Suite 301, 605 14th Street, N.W., Washington, D.C., which is listed in the C&P Telephone Directory as patent Attorneys.

Telephone number [redacted] is not a working number.

②- St. Louis (Enc. 12)
1- WFO

JLE:agp
(3)



5010-108

156-20-81

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 15 1973	

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

WFO 156-57

2

[redacted] related that the International, as well as the AFL-CIO, follows all cases relating to Union matters and any amendment to any law which might benefit the Union, he is requested to follow and, if desirable, make the matter known to the appropriate Court. He said the bill was for the printing expense in this matter and not for his services.

With regard to his knowledge of MORRIS A. SHENKER, he is aware that SHENKER is representing members of Pipefitters Union Number 562. He commented on one occasion he went to St. Louis, Missouri, with an Officer of the International who was requested to testify before the Grand Jury investigating Local 562. He said other than this matter and the knowledge that SHENKER is representing members of the local, he has no knowledge of any other role being played by SHENKER or his law firm.

157 20 82

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 15 1973	
FBI - SAINT LOUIS	
RB	

WFO 156-57

JLE:jmv

1

Records of the Chesapeake and Potomac Telephone Company, Washington, D.C. (WPC), shows the following listed subscribers to the following numbers:

202-484-5620-

Wayne Smith Company, Incorporated
500 12th Street, Southwest
WDC

202-755-6571-

Department of Housing and Urban
Development,
Room 9254,
451 7th Street, Southwest
WDC

202-872-8069-
(installed
7/1/73)

American Bar Association
Secretary of Criminal Law,
1705 De Sales Street, Northwest
WDC

202-783-0525-
(installed
3/7/70 with
auxiliary lines
as follows)

International Brotherhood of
Teamsters, Chauffeurs Warehousemen
Helper Union
25 Louisiana Avenue, Northwest
WDC

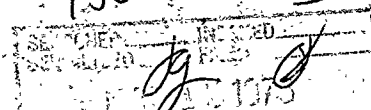
783-0089

783-0213

783-0915

783-4907

783-2159



WFO 156-57

2

202-785-1000-

296-9707

296-9708

296-9785

(installed

1/16/63)

Madison Hotel

15th and M Streets, Northwest

WDC



FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription 3/1/73

[redacted] O'Donoghue and O'Donoghue, Attorneys-at-Law, 1912 Sunderland Place, N.W., advised he is General Counsel of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada (International). He stated he has never represented the Pipefitters Local Union Number 562 of St. Louis, Missouri.

With regard to his letter of March 24, 1972, addressed to Pipefitters Local Union Number 562, he forwarded a bill to the Local for services rendered pursuant to Supreme Court case Number 70-74, Pipefitters Union Local Number 562 versus United States which resulted from the printing of the brief filed in the Supreme Court of the United States. He said this particular case resulted from a violation of the Corrupt Practices Act, wherein one (First Name Unknown) CALLANAN of Local 562 was indicted and convicted.

He related that in January, 1972, the Federal Election Campaign Act of 1971 was amended, and because of this amendment the International and American Federation of Labor-Congress of Industrial Organizations (AFL-CIO) requested him to confer with the attorneys representing Pipefitters Local Union Number 562, and bring to the attention of the Court the amended section of the law. He wrote the "amicus" for the AFL-CIO and the International and had the Petitioner's Motion for Leave to File a Supplemental Memorandum printed by [redacted] Printing, Inc., of Washington, D.C. O'DONOGHUE related his name does not appear on the brief, but he did prepare the brief and conferred with the attorneys whose names appear on the brief.

156-20 -

Interviewed on 2/26/73 at Washington, D.C. File # WFO 156-57
by SA [redacted] :jab Date dictated 2/26/73

(Mount Clipping in Space Below)

Who Keeps Vegas Palaces in Chips?

At Least 13 Get Loans From One Insurance Firm

BY AL DELUGACH
Times Staff Writer

ASK THE AVERAGE Las Vegas buff where the big money has come from at various times to buy the city's pleasure palaces and he'll probably mention the mob, the Teamsters, Howard Hughes and Big Business, not necessarily in that order.

He might be surprised to learn that the list also includes one major insurance company, American National Insurance of Galveston.

Insurance companies aren't known for the flamboyance of their investments. But American National, by its own figures, has lent nearly \$30 million to operators of a full baker's dozen of Nevada hotel-casinos since 1964.

Why casinos? "The rationale," says Phil B. Noah, chairman, in firm tones, "has simply been that they have been good loans." He added, however, that the company doesn't plan to commit any more funds to Las Vegas "because of the criticism for one thing, and also we have decided we have enough loans there."

The "criticism" he refers to includes assertions made recently before a Texas legislative committee that former American National officers benefited personally from the company's lending in Vegas.

While it didn't come out before the committee one of the figures in some of the transactions was Morris Shenker of St. Louis. Shenker has been closely associated with the Teamsters' Central States pension fund.

FEDERAL OFFICIALS who have studied Vegas for years say that the pension fund and American National probably rank one, two in the amount of money loaned to Nevada gaming operations. American National also has loaned money to operators of a casino in the Bahamas.

In the last two years, The Times learned, Shenker has received from American National \$2.8 million in personal loans on undeveloped land in California and Missouri and a \$11.5 million commitment on an office building in which he is part owner, being built to house federal agencies in St. Louis.

(Indicate page, name of newspaper, city and state.)

I-1 Los Angeles Times
Los Angeles, Calif.

Date: 10/18/70

Edition: Final

Author: 156-20-84

Editor: [Signature]

SEARCHED INDEXED

SERIALIZED FILED

OCT 19 1970

Submitting Office: Los Angeles

☐ Being Investigated

94-4304-372

SEARCHED INDEXED

SERIALIZED FILED

OCT 19 1970

FBI - LOS ANGELES

123

[Signature]

As far as Vegas is concerned, in the last six years American National has financed the owners of the Dunes, the Sands (pre-Howard Hughes), the Riviera, the Tropicana, Circus Circus, the Thunderbird, the Sahara, the Mint, the Fremont, the Aladdin and the Stardust.

Elsewhere in the state, the list includes the Sahara-Tahoe at Lake Tahoe, Harrah's Club in Reno and a Harrah's casino-restaurant-theater at Stateline.

The Galveston firm bought \$1,750,000 of 6½% Series A convertible subordinated notes of the Mary Carter Paint Co. (now Resorts International) in 1966. That year Mary Carter bought the Paradise Island casino in the Bahamas.

THE MOST controversial of these loans involved the Dunes. Two former officers of American National, Rollins Furbush, who resigned as president and board chairman last October and now lives in Los Angeles, and William Vogler, former board chairman who died Sept. 15, 1969, became part owners of the Dunes in a complex set of transactions involving Shenker.

Recently, the Furbush-Vogler matter was stirred up vigorously at a public hearing in the Texas Capitol at Austin.

The one who did the stirring was Roy Cohn, controversial New York lawyer and former protege of the late Sen. Joseph McCarthy. Cohn has gone through two trials on federal criminal charges since 1964. Juries found him innocent of perjury in the first case and of bribery and conspiracy in the second case.

Using the Dunes transaction as a primary illustration, Cohn testified that there was "self-dealing, wallowing in conflicts of interest and perso-

nal profiteering" at the expense of the Moody Foundation, Galveston, and the public shareholders of the \$1.3 billion American National, which the foundation controls.

Cohn, representing an unsuccessful bidder for a hotel chain being sold by the foundation, appeared before a Texas House of Representatives committee studying charitable foundations.

According to Cohn, the series of events that led to the two American National executives getting an interest in the Dunes spanned 13 years. In the beginning, the company awarded a contract to a new Missouri insurance agency in which Vogler and Furbush held a 50% beneficial interest, he said. The agency was capitalized at \$2,500.

Files Inspected

Records on file with the Securities & Exchange Commission, the Missouri secretary of state, the California Insurance Department and the Clark County, Nev., recorder were inspected by The Times. They show that the insurance agency to which Cohn referred was set up by three close business associates of Shenker in 1957.

Five years later, American National purchased the agency for \$3 million, Cohn told the committee. And then he continued:

"The president and chairman of American National, in what might, at first blush, be construed as remorse or magnanimity, waived their personal participation in this profit. But this waiver proved to be illusory.

"Through a complicated banking transaction in-

volving American National cooperation with a large St. Louis bank, a loan was made to Vogler-Furbush interests, as a result of which new owners appeared in a company known as Leonard J. Campbell Enterprises, a Las Vegas partnership which had the contractual rights to key parts of the Dunes Hotel and gambling casino complex."

The new owners included Vogler and Furbush, he said.

Other parties connected with Campbell also were operators of the Dunes hotel and casino under a lease, according to various records. This group, incorporated as M&R Investment Co., which had Shenker's legal guidance, included among its principals two former big-time bookmakers from St. Louis, Sidney Wyman and Charles (Kewpie) Rich.

Still another owner of Campbell Enterprises was a group headed by E. Parry Thomas, chairman of the Bank of Las Vegas.

Campbell Enterprises purchased the Dunes leasehold from James (Jake) Gottlieb. Gottlieb, a Chicago trucker and old friend of Shenker and Teamster boss James R. Hoffa, later got several million dollars in mortgage loans from American National on hotels in Denver and Tulsa and apartments in Vegas.

In January, 1967, Furbush, Vogler and other Campbell Enterprises owners sold their interests to M & R. Thus, the operators of the hotel-casino were the only ones of the Campbell group remaining in the lease ownership.

However, Vogler, Furbush and Shenker were in a group of 25 persons who in December, 1967, bought

controlling interest (27%) in Continental Connector Corp., New York, a publicly-held company, for about \$5 million. Continental later purchased M & R, and with it the Dunes.

Join Board

Among the group that took over as the new management at Continental Connector, Vogler and Furbush became directors, as did a member of Shenker's law firm.

Vogler and Furbush became owners of 11,400 shares each of Continental stock. In addition, Vogler received an option to buy 5,000 more shares at \$33.50 each. Later in the year, the stock was trading on the American Stock Exchange at more than double that price.

Trouble set in last December, however, over Continental Connector's attempted merger with another Vegas casino, the Golden Nugget.

The SEC halted the move with an injunction suit alleging false and misleading information in proxy statements by Continental and M & R. The American Stock Exchange suspended trading in Continental. Last March a federal court in New York ordered an independent audit of M & R, to which Continental agreed without admitting any allegations in the original SEC complaint.

American National's chief executive, Noah, was asked recently why Furbush resigned as president of the insurance company. He replied that Furbush was in his late 60s and had been eligible for retirement for some time.

Furbush has not returned a number of telephone calls left by a Times reporter at his home and

at his office, both in Beverly Hills.

Referring to American National's purchase of the St. Louis agency in 1963, Noah said the company's administration at that time decided it would result in a savings. Noah added that a "great deal more" than \$3 million savings had been realized since then as a result of the acquisition.

Asked about the Cohn statement that Furbush and Vogler had a beneficial half interest in the St. Louis agency, Noah said: "If they had any ownership, I don't know about it."

Paul R. Haas, the Moody Foundation's chairman, said much of Cohn's comments before the Texas committee consisted of "innuendo and vague accusations." However, addressing himself to an instance of what he termed "factual criticisms" by Cohn — the accusations against Vogler and Furbush — the foundation official said:

"I will only point out that those two men have not been employed by American National for some time. The foundation has invested no funds, to my knowledge, in any kind of Las Vegas activity. American National has made loans in years past to hotels in Las Vegas and each of them is current and there have been no losses to date."

Noah said the Nevada loans have been examined thoroughly and found to have been properly approved by the company's finance committee prior to being made.

Good Return

"They are all legal and pay a good rate of return," he said in a telephone interview. The Nevada loans are only a small part of American National's \$518 million in real estate loans.

The Times has obtained a breakdown on the loans furnished to Texas insurance authorities by Noah last June. It shows American National participating in the amount of \$29.6 million out of the \$62.7 million total of mortgage loans on the properties. Noah did not say who put up the other \$33.1 million.

The overall total includes a \$10 million commitment to Harrah's which is not to be paid out until next June. American has \$6 million of the total.

Del E. Webb Corp., of Phoenix, topped the list as the largest recipient of the loans, with \$25,475,000 of the \$62.7 million, including \$12.6 million from American National. Webb operates the Sahara, the Mint and the Thunderbird

in Las Vegas and the Sahara-Tahoe.

In addition to the American National loans, Noah said in the interview that three American National officers personally loaned a six-figure sum to Parvin-Dohrmann Co.

Parvin-Dohrmann, based in Los Angeles, owns and operates the Fremont, Aladdin and Stardust hotel-casinos in Las Vegas. Records show American National lent Parvin-Dohrmann \$1.5 million in 1968.

Noah said there was "no wrongdoing whatever" by the company officers who invested in Parvin-Dohrmann, adding: "Those men simply bought some paper on their own that American National turned down." He did not identify the officers, but said, "They are gone now, two of them." He did not elaborate.

Morris Shenker:

The Money Mover

California Land Attracts Both Teamster Funds, Hoffa Attorney

BY AL DELUGACH Times Staff Writer

EVER HEARD of Morris Shenker?

Some will remember he is chief legal counsel for imprisoned Teamster Union boss James R. Hoffa. Others may know he recently was named chairman of the new St. Louis Crime Commission.

In Las Vegas he is known as a stockholder involved in attempts to sell the Dunes hotel and casino.

But few know that in the last five years he has acquired an estimated \$25 million worth of California real estate, most of it in the San Diego area.

If you want to borrow Teamster pension fund money, lots of it, Morris Shenker is a good man to know. For while he was acquiring land and buildings in San Diego estimated to be worth more than \$18 million, and 2,250 acres of undeveloped land near Sacramento valued conservatively at \$7 million, he also was instrumental in arranging an estimated \$100 million in Teamster pension fund loans for borrowers in San Diego.

HIS SOMETIME business partner and law client, Irvin J. Kahn, has received more than \$30 million in Teamster money for one massive San Diego community development, Rancho de los Penasquitos.

Adjacent property, including hundreds of acres of Shenker holdings, has basked in the project's salutary effect on land values. Shenker recently sold 114 acres for \$955,000, according to the transfer tax.

Although his original cost has not been ascertained, the 114 acres were among 650 acres which Shenker had under a \$584,250 mortgage.

Shenker's friends who developed the fancy spa, LaCosta, north of San Diego, also received more than \$30 million in Teamster financing. Shenker sometimes sojourns at a LaCosta

villa owned by Allen Dorfman, a top Hoffa business associate from Chicago.

The Times learned that Shenker and two Las Vegas casino operators appear to be landlords to a group of federal agencies in a downtown San Diego skyscraper. The 23-story Charter Oil Building is held for the owners by a title company.

The title company and the building manager will not tell who owns it. However, Shenker and the two casino operators recently disclosed

their interest in the building in a minor lawsuit.

LAWYER SHENKER, who has been closely identified with such influential labor clients as Hoffa and convicted St. Louis Steamfitter boss Lawrence Callanan, is part owner of companies found last year to be in violation of the Fair Labor Standards Act.

In April, 1969, the federal government filed a civil suit in San Diego stating that Kahn and a number of the Kahn-Shenker firms had repeatedly violated the federal law by failing to pay employees the federal minimum wage and time and one-half for overtime. Kahn, on behalf of himself and the companies, agreed on a settlement last December. It included payment of \$25,366 back wages and a permanent injunction against further violations.

Shenker's holdings include a San Diego bowling alley on which the Teamsters Union pension fund foreclosed a loan in 1966 that he reportedly had helped to arrange in 1963. As a stockholder in Kahn's Shelter Island Hotel Corp., Shenker has become a part owner of the swank La Mesa Bowl.

Principals in the original operation, who had been linked to the Mafia in testimony before state and federal investigating committees, were unable to obtain a state liquor license. The Teamsters Central States, Southeast and Southwest Areas Pension Fund foreclosed on the \$1.1 million loan. Trustees bought back the property from the receiver at auction and deeded it to Shelter Island.

In some instances Shenker and relatives acquired financially distressed developments with Federal Housing Administration financing.

Some of these properties are former parts of Kahn's complex operation, and Kahn told The Times he handled the negotiations with the FHA for Shenker.

Complex civil litigation by third parties over some of the one-time Kahn properties is pending in the state court in San Diego.

THROUGH IT ALL, Shenker has virtually escaped public notice in the area where he has become a

Please Turn to Page 9, Col. 1.

(Indicate page, name of newspaper, city and state.)

Los Angeles Times

Date: 9-20-70

Edition:

Author:

Editor:

Title: 156-20-84-

SEARCHED INDEXED
SERIALIZED FILED

Character: 1170

☐ Being Investigated

94-430H-362

SEARCHED INDEXED
SERIALIZED FILED

OCT 8 1970
FBI - LOS ANGELES

Morris Shenker: The Money Mover

Continued from First Page
great property owner and money mover.

Although his is not a name with which many Californians are familiar, Shenker, who is 63, occasionally has been the subject of national publicity.

Last May 29 Life magazine said Shenker and St. Louis Mayor Alfonso J. Cervantes, who this year named him as head of that city's new crime commission, had business and personal ties with organized crime figures.

Mayor Cervantes vigorously denied the charges and responded with a \$12 million libel suit, still pending, against Life and the author of the article, Denny Walsh.

Shenker, who was at the Dunes hotel in Las Vegas when the article was published, said he would sue, too, but later indicated he would not. Shenker is a part owner of Continental Connector Corp. which owns the Dunes, and he has been active in negotiations to sell the hotel-casino since Continental entered into a stipulated judgment, without admitting any wrongdoing, in an action brought by the Securities and Exchange Commission last December.

'Foremost Lawyer'

The Life article, on which the Cervantes lawsuit is based, described Shenker as the "foremost lawyer for the Mob in the U.S." and a brilliant befuddler of Internal Revenue Service investigations into his labyrinthine business deals.

Actually, Shenker first came to national attention nearly 20 years ago. During the Kefauver hearings of the early 1950s into syndicated gambling, Shenker represented more of the big time gamblers than any other lawyer.

While Shenker was pursuing efforts to get Hoffa out of prison, Life magazine accused U. S. Sen. Edward V. Long of Missouri in 1967 of using his subcommittee on wiretapping to help Hoffa. It was revealed that Long had received \$127,000 from Shenker's law firm. Shenker later described the payments as legal fees, shared with Long, from other clients.

Shenker is a man of simple, even Spartan tastes. He has attained a national reputation as a brilliant criminal defense lawyer, and his forte has been income tax cases.

He has had a masterful touch as an insider in national Democratic politics for years. He is a tireless worker in the sale of Israel bonds, and has even solicited the Teamsters and other unions for over a million dollars for his favorite cause.

Works Long Hours

Although he has long since become a millionaire, Shenker prosecutes his business and his philanthropic activities as strenuously as he did municipal court cases in his fledgling lawyer days during the Great Depression.

In fact he still puts in some 80-hour work weeks. He has so much going that he frequently sleeps on a cot in his office. Some familiar with the scope of his activities wonder that he has time to sleep at all. Some of his sleep is obtained in catnaps aboard planes—he is a constant traveler. Wherever he is at a given time, he receives and answers with

amazing alacrity any telephone messages left with his secretary.

During an interview in his law suite, Shenker improved his time by munching a dietetic lunch of mostly cottage cheese and skimmed milk served by his trusted personal secretary.

A tall, trim man whose eyes twinkle behind hornrimmed glasses he sometimes wears, Shenker gestures regally as he gives voluminous responses to questions, without making any damaging concessions. He frequently takes recourse in the redoubtable legal position that professional tenets do not permit him to discuss his clients' business (even when it is also his own).

Born in Ukraine

Shenker followed the vanishing pattern of immigrants who made it big in America. Born in the Ukraine, he was brought to this country as an orphan of 15 by a brother.

He still has a strong accent, and such has been its charm with juries that it has been known to become even more pronounced in the courtroom.

By the late 1930s, he was half of what was known in Missouri politics as the Callanan-Shenker machine, a successor in power to the defunct Pendergast organization in Kansas City.

His clout in national politics waxed greatly in the Truman years, when he concurrently was representing top gangsters before the Kefauver committee. He later defended major figures in the Internal Revenue scandals

Prosecuted in the middle 1950s.

No one around can remember a dull trial in which Shenker took part. Sometimes there is irony at goes by unnoticed, as in 1962, when Shenker was defending a former judge accused of filing a false state income tax return. One of the prosecution witnesses was raked over the coals rather roughly by Shenker. Although the ex-jurist was convicted, Shenker won reversal before the state supreme court.

...not until much later that a reporter found that the witness Shenker had made so uncomfortable, was his partner in a business enterprise.

Recently Shenker's name cropped up again in the national news. The Associated Press disclosed that one of Kahn's companies is now headed by the retired top FHA official in San Diego. The official had okayed government guarantees on loans for tens of millions of dollars to firms owned by Kahn and approved a \$6 million transaction with Shenker. Shenker gave The Times this account of the transactions by which he and his brother-in-law, St. Louis hotelman Harold Kaplan, acquired the Loma Palisades Apartments and Leisure Life Village several years ago out of a bankrupt former-Kahn corporation.

"We bailed the FHA out. At the time we bought the equity, their appraisal was 75% of what we actually paid. We made them whole."

Title to the apartment projects and to various unde-

veloped land holdings is recorded in Shenker's name. Real estate taxes are assessed in his name. On the basis of his official records, San Diego County Assessor E. C. Williams has estimated Shenker's holdings there at more than \$13 million.

Not included, however, is the Charter Oil Building, at First and C Sts. With a market value of \$4,750,000, the property is carried on the assessor's rolls in the name of a former owner of the land.

Title Insurance and Trust Co., the company holding legal title to the property, would not disclose the name of the building's present owner to a newsmen. Neither would Kahn.

However, there is a public record identifying the owners as Shenker, Charles (Kewpie) Rich and Sidney Wyman. Rich and Wyman are former bookies who operate the Dunes in Las Vegas.

It is ~~their own~~ lawsuit, filed April 29, against Charter Oil Co. Ltd., a Canadian corporation, which occupies the 19th floor, that attests their ownership. The suit claims \$6,500 worth of Charter Oil's capital stock was not turned over to them as pledged in a lease agreement dated Oct. 2, 1968.

Former Clients

In addition to being business associates of Shenker, Rich and Wyman formerly were his clients. In the 1940s they operated a nationwide handbook business and clearinghouse for bets on major sports events from St. Louis. Shenker represented them before the Kefauver gambling inquiry and in negotiating a tax settlement for them with the Internal Revenue Service about 10 years ago.

The federal government has conducted a long and intensive investigation of Shenker's own tax liability.

Tenants of the Charter Oil Building include such federal agencies as the Labor Department, the postal inspectors, the U.S. Treasury Department's alcohol, tobacco and firearms division and savings bonds division, the FHA, the Small Business Administration, Navy civilian manpower management and the General Services Administration.

Five-Year Lease

Records in the Los Angeles field office of GSA, the government agency that rents space for federal agencies, show Kahn signed the five-year lease Oct. 14, 1966, effective Dec. 1, 1966. The lessor is listed as the First & C Corp.

The original lease calls for rental of 13,521 square feet of space for \$57,985 a year. It has been amended from time to time for additional space, now 19,512 square feet for \$83,952 a year. The rate of \$4.30 a square foot seems competitive for San Diego office space, a GSA official said. He is the successor of the official who negotiated the original lease and who retired several months ago.

Government investigation

tors believe that the key to Shenker's fortune in California is his almost legendary influence over selection of recipients for Teamster pension loans.

By one account, the La Mesa Bowl loan was given the Shenker imprimatur during a visit in which he flew into San Diego, looked at the site, and flew out again—all in the space of several hours.

The Life magazine article last May said Shenker has been able to collect massive fees from borrowers and potential borrowers of the pension fund. Kahn told the Times that his organization never paid any finder's fees to Shenker, but had paid him attorney fees on "a number of matters." Kahn did not disclose how much.

In one of the many lawsuits on file in connection with Kahn's empire, Louis Lesser of Beverly Hills is claiming one-half ownership of Rancho Penasquitos for introducing Kahn to Shenker.

Lesser, a former Kahn business associate, said in his complaint filed last February that Shenker "was and is now an agent of the (Teamster) fund."

As such, the complaint said, Shenker is "authorized to obtain substantial loans and loan commitments from the fund or to influence the granting of substantial loan commitments from the fund to parties designated by him,

one of his rare setbacks in California.

The San Diego port commissioners two years ago rejected a move by which controlling interest in the Half Moon Inn would have been shifted to Shenker.

Shenker modestly declined to estimate for The Times several days ago the value of his holdings in California and elsewhere.

"All that glitters is not gold, you know," he said, then added: "All I can say is, I still work for a living."

In April, 1965, the complaint continues, Kahn "importuned and solicited" his assistance in securing loans from the fund through Shenker. Kahn allegedly promised half of his "position" in Penasquitos if Lesser would introduce and recommend him to Shenker and if loans of \$6 million were thereby obtained.

Poppycock, says Kahn. He said he has known Shenker since well before 1965.

A Good Buy

The land Shenker acquired near Penasquitos in 1967 was never a part of the ranch, Kahn said. He explained that he steered Shenker to the big tract as "good buy" from a doctor who wanted all cash for it.

The \$584,250 mortgage was provided by American National Insurance Co., Galveston, Tex., which has provided millions of dollars in loans to Shenker projects in the last five years — including financing of the Dunes purchase.

Kahn said he has some business dealings with Shenker at present, but said, "I prefer not to discuss them."

He did concede that Shenker is a stockholder in the Shelter Island Hotel Corp., of which Kahn is president. The corporation operates the luxurious Shelter Island Inn on the man-made island in San Diego Bay.

It was on this same island that Shenker ran into



BIG LANDHOLDER—St. Louis lawyer Morris A. Shenker has acquired millions of dollars worth of real estate in California in the last five years.

Times photo

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (156-21)

FROM : SAC, BUFFALO (156-13) (RUC)

DATE: 3/28/73

SUBJECT: IRVIN JULIUS KAHN, aka;
MORRIS A. SHENKER;
PIPEFITTERS UNION LOCAL 562
WELFARE AND PENSION FUND
ST. LOUIS, MISSOURI
WPPDA
(Bufile 156-557)
(SLfile 156-20)

MORRIS A. SHENKER, aka
[redacted], etc;
TEAMSTERS UNION CENTRAL STATES
SOUTHEAST AND SOUTHWEST AREAS
PENSION FUND
CHICAGO, ILLINOIS
WPPDA
(Bufile 156-~~549~~)
(SLfile 156-21)

Re Albany airtel to Buffalo, dated 3/10/73.

The 1971 Mannings Numerical Telephone Locator for Elmira, N. Y. shows the phone number [redacted] listed to [redacted]

The 1973, Elmira, N. Y. Telephone Directory lists [redacted] residing at [redacted] with telephone [redacted]

The 1972 Elmira, N. Y. City Directory lists [redacted] as residing at [redacted]

④ - St. Louis
1 - Buffalo

RWR;ph
(5)



5010-104-02

156-20-87

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
APR 1 1973	
FBI - ST. LOUIS	

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

BU 156-13

On 3/21/73, [REDACTED] Elmira,
N. Y. PD. advised he had no record of [REDACTED] and
[REDACTED] has the following record:

[REDACTED]

On 3/21/73, [REDACTED] Records Clerk, Chemung
Co. Sheriff's Office, Elmira, N. Y., advised he had no record
of [REDACTED]

BUFFALO INDICES NEGATIVE RE [REDACTED]

[REDACTED]

SAC, LOS ANGELES (156-76)

4/17/73

SAC, ST. LOUIS (156-20) (P)

MORRIS A. SHENKER, aka;
IRVIN JULIUS KAHN;
WPPDA
OO: SL

1/5/73, Re St. Louis report of SA

Referenced report set out information on pages 7 and 8 of IRVIN KAHN's arrest on gambling charges at Murietta Hot Springs on 5/30/70.

LEADS

LOS ANGELES DIVISION

AT RIVERSIDE COUNTY, CALIFORNIA

Will obtain details of KAHN's arrest at Murietta Hot Springs including names of other persons arrested.

2 - Los Angeles
2 - St. Louis
TRP:dld *dld*
(4)

156-20-88
SEARCHED _____
SERIALIZED _____
INDEXED _____
FILED _____

1
LA 156-76
DRS/rep

AT RIVERSIDE, CALIFORNIA

The following investigation was conducted by
SA [redacted] at Riverside, California, on
May 9, 1973:

Records of the Riverside County Sheriff's Office.
were reviewed under booking number B-38067 (KAHN) and [redacted]
[redacted] and it was determined that these individuals
along with approximately 150 patrons were arrested during a
raid on the Murrieta Hot Springs, which was conducted on
the night of May 30, 1970. All persons arrested were charged
with 330 Penal Code (Gambling) and 331 County Ordinance (Gaming).

IRVIN JULIUS KAHN was arrested as the Corporate
President of the resort community and he is described as
follows:

Race	White
Sex	Male
Date of birth	January 13, 1916
Place of birth	Export, Pennsylvania
Height	5'7"
Weight	160
Hair	Brown
Eyes	Brown
Social Security Number	571-54-6678
Bureau of Criminal Identification and Investigation (CII) Number	942 788
FBI Number	3915519
Address	3010 Cowley Way, San Diego, California

156-20-89
SEARCHED _____ INDEXED _____
SERIALIZED _____ FILED _____

2
LA 156-76
DRS/rep

Wife
Occupation

Attorney

Race
Sex
Date of birth
Place of birth
Height
Weight
Hair
Eyes
Build
Social Security
Number
Marital status

Occupation
Address

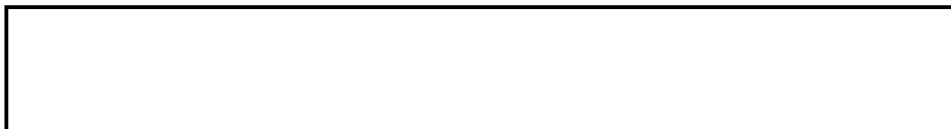
KAHN was to appear in Municipal Court, Riverside, California, on June 8, 1970, however, charges against all defendants were dropped for lack of evidence. Patrons arrested in the above raid included the following:

3
LA 156-76
DRS/rep



LILLIE SALTER,
5517 Colliseum Street,
Los Angeles, California. Born June 30, 1903

SYLVIA GOLDSTEIN,
645 N. Westmont,
Los Angeles, California. Born February 14, 1909

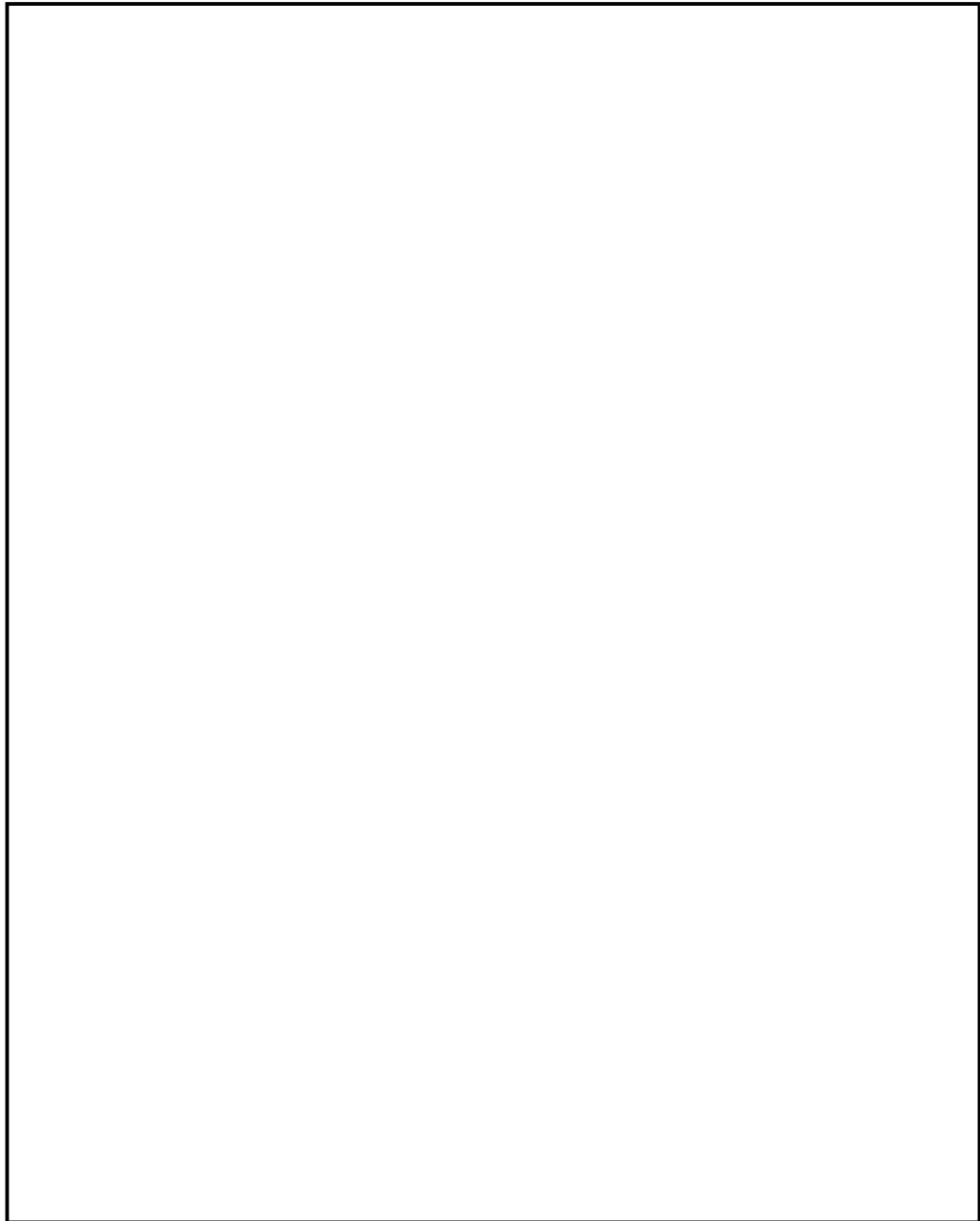


JOSEPH FLOOM,
857 South Sherbourn,
Los Angeles, California. Born January 10, 1905

JEAN C. FOX,
6143 Alcott,
Los Angeles, California. Born March 19, 1907




4
LA 156-76
DRS/rep




5
LA 156-76
DRS/rep


NORMAN DAVIS,
1414 South Orange Grove,
Los Angeles, California. Born July 17, 1906



ETHEL SKYLER,
466 N. Hobart Boulevard,
Los Angeles, California. Born August 10, 1901



ROSE FELDMAN,
212A Rexford Drive,
Beverly Hills, California. Born December 10, 1900




IDA FERMAN,
28191 Murrieta Road,
Sun City, California. Born May 15, 1905

SYLVIA GOLDWATER,
9520 Olympic Boulevard,
Beverly Hills, California. Born January 2, 1892


6
LA 156-76
DRS/rep

MORRIS ABRAHAM FERMAN,
28191 Murrieta Road,
Sun City, California. Born January 15, 1905

TILLIE HOLTZMAN,
28545 Amersoot Way,
Sun City, California. Born November 3, 1909



YETTA MARGOLIS,
1470 S. Rexford Drive, #204
Los Angeles, California. Born December 29, 1907



HAROLD "T" GELMAN,
1045 S. Bedford,
Los Angeles, California. Born May 1, 1909

7
LA 156-76
DRS/rep

[REDACTED]

MAURICE LAZARAS APPEL,
2160 Century Park East,
Los Angeles, California. Born January 15, 1903

[REDACTED]

ROSE MILLER,
345 Lei Drive,
Palm Springs, California. Born October 3, 1907

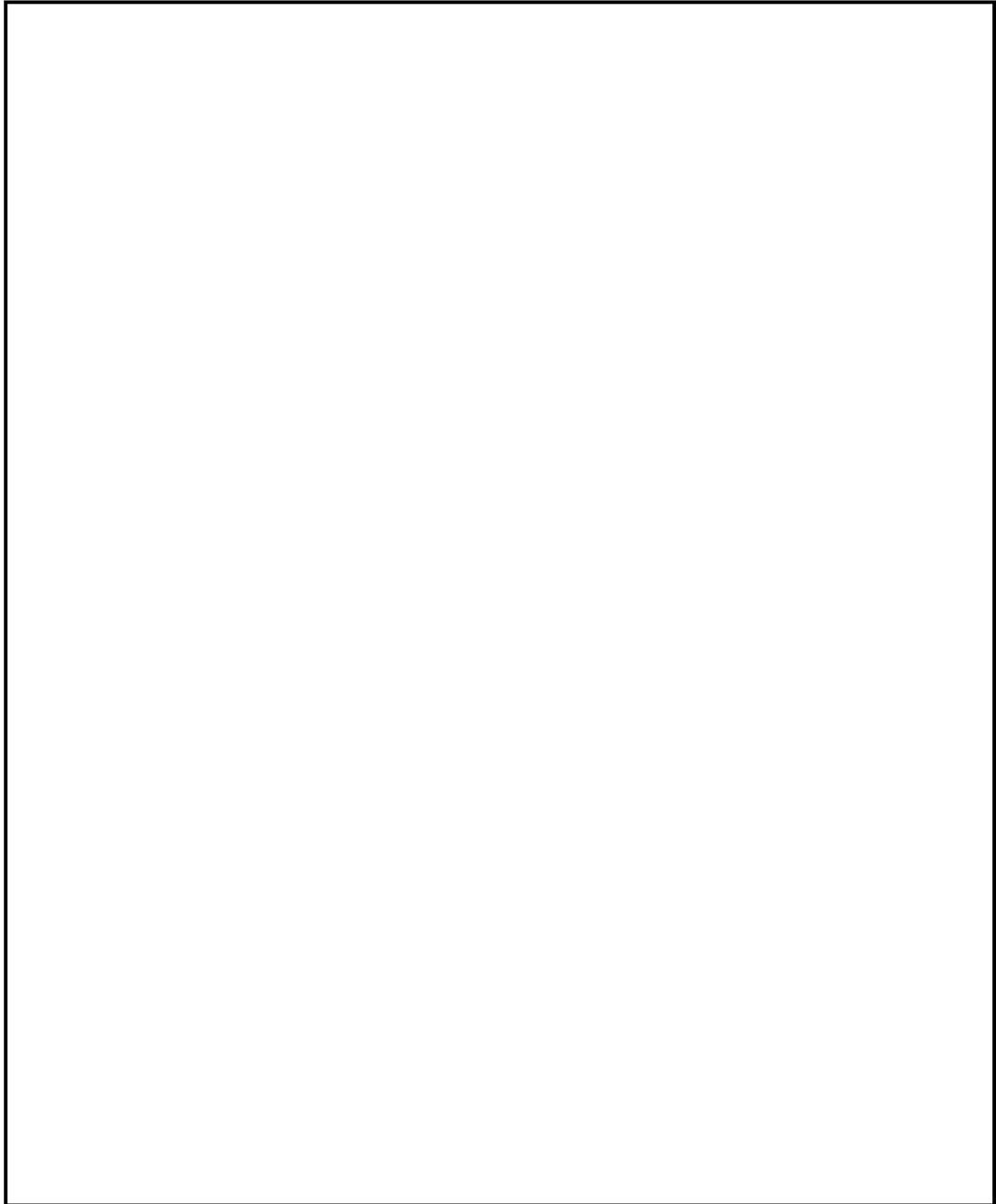
[REDACTED]

ETHYL MILLER,
7127 Coldwater Canyon,
North Hollywood, California. Born June 9, 1900

JEAN IDA HORN,
11122 Landale,
North Hollywood, California. Born May 15, 1908

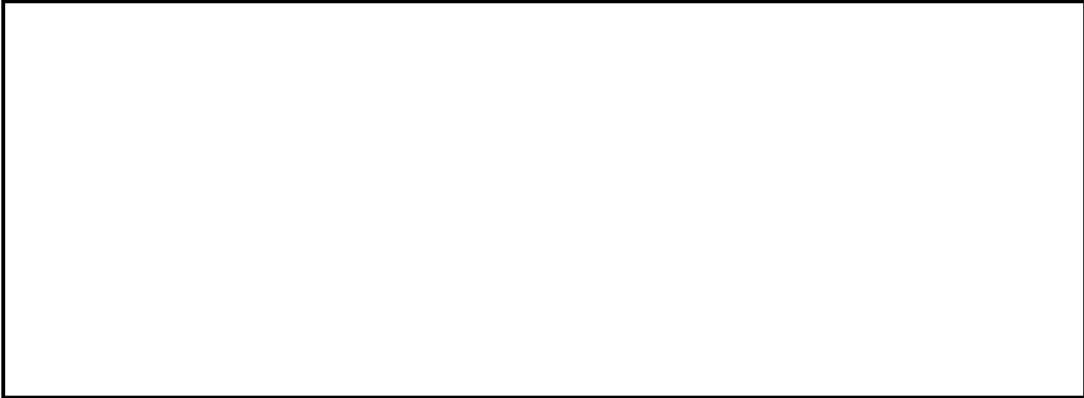
[REDACTED]

8
LA 156-76
DRS/rep

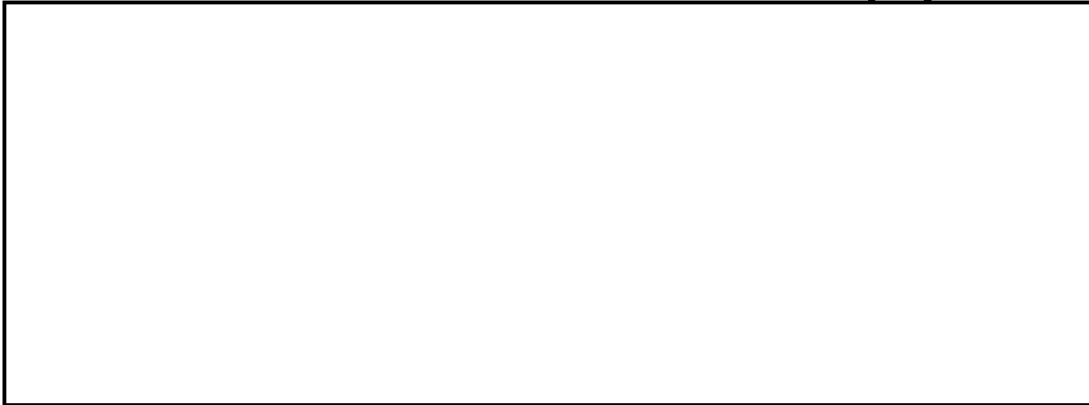


9
LA 156-76
DRS/rep


HARRY MEISNER,
37503 Candlewood,
Lakewood, California. Born April 30, 1907



LOUIS JACOB BESKIN,
5359 W. San Vincent,
Los Angeles, California. Born December 12, 1906



DORIS SOLDEN RUTBERG,
1161 N. Ogden,
Los Angeles, California. Born December 25, 1908



10
LA 156-76
DRS/rep



ARNOLD HAROLD LEWIN,
327 N. Formosa,
Los Angeles, California. Born December 14, 1906




MORRIS FELD,
137 N. Wetherly,
Los Angeles, California. Born January 15, 1906




11
LA 156-76
DRS/rep

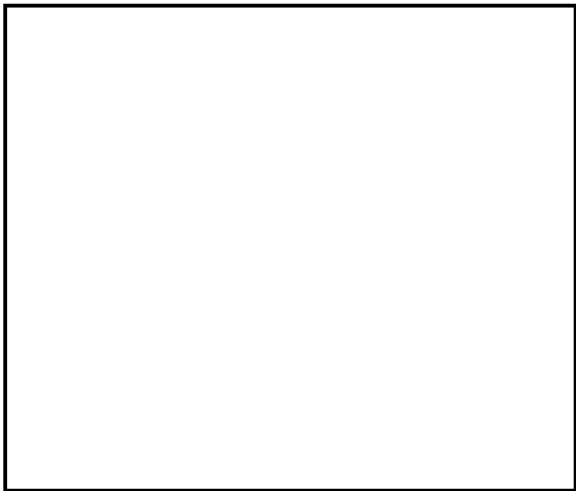
HELEN GLAZER,
1245 North Kings Road,
Los Angeles, California. Born May 15, 1902



LILLIAN DEBORAH SCHLESINGER,
151 N. Barnwell,
Oceanside, California. Born July 14, 1907



BERTHA GOLANT,
11830 Darlington,
Los Angeles, California. Born October 10, 1909



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LA 156-76
DRS/rep



BEULAH EDELSACK,
104 North Genesee,
Los Angeles, California. Born September 30, 1907



SIMA WASSERMAN,
8963 Burjon Way,
Los Angeles, California. Born August 19, 1905




13
LA 156-76
DRS/rep

MORRIS SKLAR,
466 No. Hobart Boulevard,
Los Angeles, California. Born May 10, 1900



ABE MILLER,
1301 North Havenhurst St.,
Los Angeles, California. Born February 15, 1905

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LA 156-76
DRS/rep

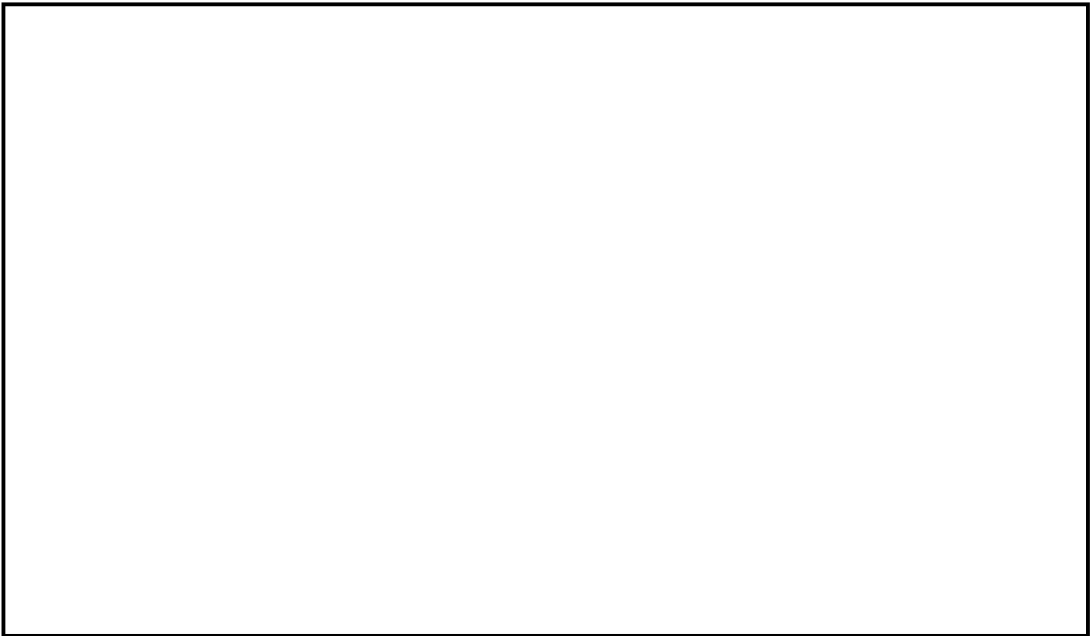


ZOLTAN TRONSTEIN,
11755 Darlington Avenue,
Los Angeles, California. Born April 13, 1905


ISADO VALEN,
742 E. Washington St.,
Los Angeles, California. Born July 8, 1908

IRVING J. KAHN,
1550 Via Corona,
La Jolla, California. Born January 13, 1916

IRVING HOLOVER,
633 $\frac{1}{2}$ N. Juanita,
Los Angeles, California. Born November 25, 1907



15
LA 156-76
DRS/rep



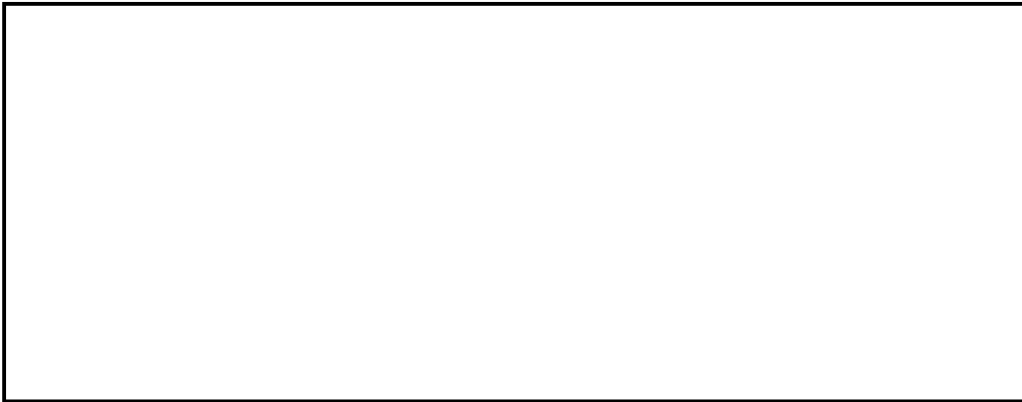
HENRY BERNHIEM,
7172 Hawthorne,
Los Angeles, California. Born December 18, 1901

BILLY SNYDER,
2250 S. Bagley,
Los Angeles, California. Born July 26, 1900


HERMAN HOLTZMAN,
1716 N. Vermont,
Los Angeles, California. Born September 1, 1901

ALFRED STRAUSS,
8588 Horner,
Los Angeles, California. Born July 27, 1907

WEITZ,
1346 N. Crescent Heights,
Los Angeles, California. Born October 22, 1901



16
LA 156-76
DRS/rep




MAE MILLER,
1301 N. Havenhurst,
Los Angeles, California. Born March 4, 1909

SAM DOLINKO,
11920 Montana,
Los Angeles, California. Born February 25, 1905

MARTHA VETENSON,
1235 N. Havenhurst,
Los Angeles, California. Born September 21, 1901

LOUIS SCHLESINGER,
151 N. Barnwell,
Oceanside, California. Born February 20, 1901

IRVING J. KLAPPER,
544 Pacific,
San Pedro, California. Born April 9, 1908

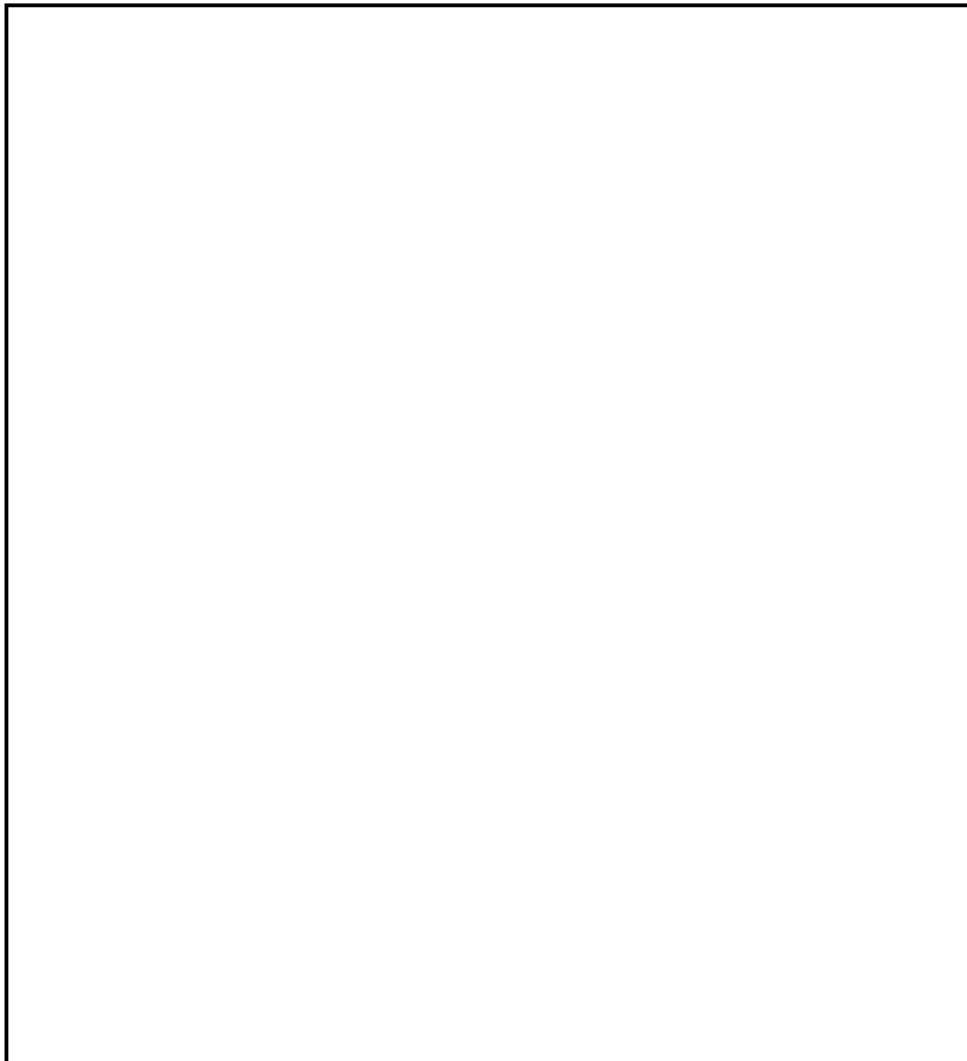


HENRIETTA FIELD,
1435 Pointview Street,
Los Angeles, California. Born June 10, 1894

17
LA 156-76
DRS/rep



ANNE FIDLER,
4515 Revillo Way,
San Diego, California. Born February 13, 1909



18
LA 156-76
DRS/rep

[REDACTED]

ESTHER WEINHOLTZ,
9714 Paseo Del Oro,
Cypress, California. Born February 11, 1910

[REDACTED]

The above arrests resulted from an undercover investigation of the Murrieta Hot Springs for operating a card room where patrons were engaged in the card game of Panguingue (Pan).

UNITED STATES GOVERNMENT

Memorandum

TO : SAC, ST. LOUIS (156-20)

DATE: 5/17/73

FROM : SAC, LOS ANGELES (156-76) (RUC)

SUBJECT: MORRIS A. SHENKER, aka;
IRVIN JULIUS KAHN
WPPDA
OO: St. Louis

Re St. Louis letter to Los Angeles dated 4/17/73.

Enclosed for the St. Louis Division are two copies of an investigative insert reflecting investigation conducted at Riverside, California. Also enclosed is one photograph of IRVIN JULIUS KAHN, Riverside Sheriff's Office Number B-38067.

2 - St. Louis (Enc. 3)
1 - Los Angeles

DRS/rep
(3)



5010-108

156-20-90

SEARCHED	INDEXED
SERIALIZED	FILED

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE ST. LOUIS	OFFICE OF ORIGIN ST. LOUIS	DATE 5/29/73	INVESTIGATIVE PERIOD 2/9 - 5/25/73
TITLE OF CASE MORRIS A. SHENKER, aka; IRVIN JULIUS KAHN; ET AL		REPORT MADE BY SA [REDACTED]	TYPED BY ck
		CHARACTER OF CASE WPPDA	

REFERENCE: SL rep of SA [REDACTED] 2/15/73.
LA rep of SAA [REDACTED] 3/26/73.

- P -

ADMINISTRATIVE:

Reporting and investigative periods in this report are lengthy inasmuch as case Agent was assigned to the Wounded Knee Special between 3/2/73 and 5/20/73. In view of that assignment, only a limited amount of investigation at St. Louis has been conducted since last report. Intensive investigation in this matter is being immediately reinstituted. The voluminous bank account records of MORRIS SHENKER will be completed and reported in next report.

Information set out in details regarding telephone

ACCOMPLISHMENTS CLAIMED				<input checked="" type="checkbox"/> NONE	ACQUIT-TALS	CASE HAS BEEN: PENDING OVER ONE YEAR <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
CONVIC.	FUG.	FINES	SAVINGS.	RECOVERIES		
APPROVED					DO NOT WRITE IN SPACES BELOW	
COPIES MADE:					[REDACTED]	
3 - Bureau (156-557) 1 - USA, St. Louis 1 - AIC, St. Louis Field Office THOMAS M. VOCKRODT 1 - Los Angeles (Info) (156-76) 1 - San Diego (Info) (156-5) 2 - St. Louis (156-20)						
Dissemination Record of Attached Report					Notations	
Agency					156-20-91 SEARCHED _____ SERIALIZED _____ FILED _____ INDEXED _____ JUNE 1973	
Request Recd.						
Date Fwd.						
How Fwd.						
By						

SL 156-20

subscribers is a result of an investigation conducted regarding long distance toll calls charged to SHENKER as set out in last report.

LEADS:

THE LOS ANGELES DIVISION: (INFO)

Information copy being provided LA Division in view of prior investigation conducted and in anticipation of future investigative requests.

THE SAN DIEGO DIVISION: (INFO)

Information copy being provided for same reasons as LA Division.

THE ST. LOUIS DIVISION:

AT ST. LOUIS, MO.:

1. Will complete review and reporting of bank account records of MORRIS A. SHENKER and [REDACTED]
2. Will complete review and reporting of pipe-fitters union, Local 562 Welfare and Pension Fund Trustees minutes.
3. Will maintain contact with [REDACTED]
[REDACTED] regarding FGJ testimony in this matter.

b6
b7C

b6
b7C

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

1 - U. S. Attorney, St. Louis
1 - Acting AIC, St. Louis Field Office, [REDACTED]

Report of:

SA [REDACTED]

Office: ST. LOUIS

Date:

May 29, 1973

Field Office File #:

SL 156-20

Bureau File #: 156-557

Title:

MORRIS A. SHENKER;
IRVIN JULIUS KAHN;
ET AL

Character:

WELFARE AND PENSION PLANS DISCLOSURE ACT

Synopsis:

Details of gambling arrest of IRVIN JULIUS KAHN at Marietta Hot Springs set out. Interview of [REDACTED] Attorney, Washington, D.C. revealed he filed brief in Pipefitters Union Local 562 which appeared in U.S. Supreme Court. [REDACTED] stated that MORRIS A. SHENKER representing members of Pipefitters Local 562. Investigation regarding subscribers to long distance numbers charged to telephone of MORRIS A. SHENKER set out. Strike Force Attorney will make presentation of additional facts of matter to FGJ in near future. Investigation continuing.

- P -

DETAILS:

[redacted] related that the International, as well as the AFL-CIO, follows all cases relating to Union matters and any amendment to any law which might benefit the Union, he is requested to follow and, if desirable, make the matter known to the appropriate Court. He said the bill was for the printing expense in this matter and not for his services.

With regard to his knowledge of MORRIS A. SHENKER, he is aware that SHENKER is representing members of Pipefitters Union Number 562. He commented on one occasion he went to St. Louis, Missouri, [redacted] who was requested to testify before the Grand Jury investigating Local 562. He said other than this matter and the knowledge that SHENKER is representing members of the local, he has no knowledge of any other role being played by SHENKER or his law firm.

SL 156-21

AT SANTA BARBARA, CALIFORNIA

The following investigation was conducted by
SA [REDACTED]

On February 13, 1973, records of the Santa Barbara Police Department and Sheriff's Office were searched in an unsuccessful attempt to locate any record identifiable with [REDACTED]

On February 12, 1973, [REDACTED] University of California at Santa Barbara (UCSB) advised that [REDACTED] was currently a student at UCSB. According to [REDACTED] previously held telephone number [REDACTED] but now may be reached at telephone number [REDACTED]. This is a number set forth in student records and became effective at the end of September, 1972. [REDACTED]

[REDACTED] He was born [REDACTED] and his permanent residence remains Number [REDACTED] which presumably is the address of his parents. He first entered UCSB during [REDACTED] as a junior and he is currently enrolled, according to [REDACTED]. His Social Security Number is [REDACTED].

An individual in a position to know advised on February 9, 1973, that [REDACTED] obtained published telephone service at [REDACTED] at which time [REDACTED] indicated he was a student at UCSB. Telephone number installed was [REDACTED].

SL 156-21

On March 28, 1973, The Buffalo Division of the Federal Bureau of Investigation advised as follows:

AT ELMIRA, NEW YORK

The 1971 Mannings Numerical Telephone locator for Elmira, New York, shows the phone number [redacted] listed to [redacted]

The 1973 Elmira, New York Telephone Directory lists [redacted] residing at [redacted] with telephone number [redacted]

The 1972 Elmira, New York City Directory lists [redacted] as residing at [redacted]
[redacted]

On March 21, 1973, [redacted] Elmira, New York Police Department, advised he had no record of [redacted] [redacted] has the following record:

[redacted]

On March 21, 1973, [redacted] Chemung County Sheriff's Office, Elmira, New York, advised he had no record of [redacted]

SL 156-20

AT ST. LOUIS, MISSOURI

On May 25, 1973, a discussion was held between SA [] and Strike Force Attorney [] regarding this matter. At that time [] stated he would continue to hold a prosecutive opinion in abeyance until he was able to call additional witnesses and evidence before a Federal Grand Jury. [] stated that the next available Federal Grand Jury would be meeting in either July or August, 1973.

5/30/73

AIRTEL

AIRMAIL

TO: SAC, CHICAGO (156-83)

FROM: SAC, ST. LOUIS (156-21) P

SUBJECT: MORRIS A. SHENKER, aka;
ET AL
WPPDA
OO: ST. LOUIS

Re SL rep of SA [REDACTED] 2/26/73.

Enclosed for Chicago is one copy of a Chicago Tribune newspaper article described below.

On 5/28/73, St. Louis Strike Force Attorney [REDACTED] made available a photostat copy of an article which appeared in the Chicago Tribune, Section 1, Page 7, 5/27/73, captioned "Grand Jury Subpenas Teamsters Aides, Records in Probe of Loans".

As Chicago is aware, St. Louis is currently conducting extensive investigation regarding above captioned subject who is chief attorney for former teamsters president, JAMES HOFFA. Additionally, SHENKER has for the past several years been able to negotiate numerous multi-million dollar loans relating to his business interests.

LEADS

THE CHICAGO DIVISION:

2 - Chicago (Encl. 1)
5 - St. Louis (2 - 156-21)
(1 - 156-20)
(1 - 166-173)
(1 - 92-441)

TRP:ck
(7)

156-20-92

SEARCHED
SERIALIZED
INDEXED
FILED

SL 156-21

AT CHICAGO, ILL.:

After reviewing enclosed newspaper article, will:

(1) Contact USA's office and determine details of Federal Grand Jury investigation described in the article.

(2) Determine if and when subpoenaed teamsters records might be available for review by Bureau Agents for information relevant to instant matter.

(3) Determine if records of teamsters loans for the following business entities are among those subpoenaed by the Grand Jury:

Aladdin Hotel, Las Vegas, Nev.;

Irvin J. Kahn, Inc., San Diego, Calif.;

American Motor Inns, Roanoke, Va.;

Council Plaza Redevelopment Corp., St. Louis, Mo.;

Council Plaza Development Corp., SLMO.

Grand jury subpoenas Teamsters aides, records in probe of loans

By Ronald Koziol

A FEDERAL GRAND jury in Chicago has subpoenaed several Teamster Union officials and hundreds of records during a secret six-month investigation into millions of dollars in loans made by the Teamster pension fund.

The investigation is centering on 35 loans made by the Chicago-based Central States and Southwest Areas Pension Fund from 1964 to the present. Some of the loans were made while James Hoffa headed the Teamsters and controlled the pension fund.

The Chicago investigation reportedly is being coordinated with similar inquiries into the fund by grand juries in Los Angeles and Washington, D. C.

ALL ARE AIMED at determining if officials or agents of the fund received kickbacks in return for the loans and if federal mail and conspiracy statutes were violated.

This is the first time since 1964 that Justice Department officials in Chicago have begun a concerted effort to unravel the tangled affairs of the controversial Teamsters fund, which now has assets totaling \$1 billion.

Other records subpoenaed by the government deal with loans engineered by Allen Dorfman, former \$60,000-a-year fund consultant and close associate of Hoffa. Dorfman is serving a prison term for demanding a \$55,000 kickback on a \$1.5-million loan from the fund to a textile manufacturer.

DURING THE last month, it was learned, the Chicago phase of the investigation has been intensified with the issuing of more than a dozen subpoenas for records of loans made to finance Las Vegas gambling casinos and country club developments on the West Coast and in the Southwest.

The records obtained by the government include the original mortgage contracts for the 35 loans, delinquency statements of past due loans, and canceled checks representing paybacks to the fund.

Among the Las Vegas loans being investigated, it was learned, is one for \$18.1 million to the operators of Circus

Circus, a tent-type casino featuring circus acts.

AT LEAST SIX other Nevada gambling casino and hotel loans, including one made last year for \$3 million to the Aladdin Hotel, also are being studied.

A \$10-million Teamsters loan for a Las Vegas country club, whose partners include one-time Midwest gambling kingpin and rum runner Morris [Moe] Dalitz, also is under scrutiny.

Details of the loan and Dalitz' connections with it first were disclosed by The Tribune on March 24. The loan was made on Nov. 2, 1970, to the Country Club of Las Vegas, Inc.

DALITZ ALSO HAS been linked to an \$18.8-million loan for construction of the exclusive Rancho La Costa resort near San Diego. His partners in this venture include Allard Roen, an admitted stock swindler and one-time Nevada casino operator.

Investigators noted that many of the loans being studied by the grand jury are considered "good" loans, or ones in which repayments at a top rate of interest are made regularly.

However, many of the persons who applied and received the loans have either unsavory reputations or hoodlum con-

nections. Investigators say they would have been unable to obtain similar loans through conventional banking channels.

One of those who received \$1.8 million to finance his tottering financial empire was C. Oran Mensik, who allegedly embezzled \$25 million from the defunct City Savings Association. Mensik received the loans a year after the state officially closed the savings institution because of mismanagement.

IN THIS CASE, the grand jury reportedly is attempting to trace reports that Mensik received the loans on the condition that he would kick back a certain percentage to fund agents. Mensik has been a fugitive since his escape from a prison honor farm in Allentown, Pa. in October, 1971, where he was serving time on another charge.

As a result of the Mensik loans, the fund lost almost \$1 million in interest.

Another loan under study, centers around two gangland associates, Irwin Weiner and Ronald DeAngeles.

The two had cashed in on a \$4.1-million loan from the fund to finance a plastics products factory in Deming, N. M. Their initial investment was only \$7,000. Weiner and DeAngeles took over the plant after the original owners default-

ed on the original loan. The new owners were able to obtain another \$1.1 million loan from the fund.

6/7/73

Airtel

TO: SAC, ST. LOUIS (156-21)
FROM: SAC, CHICAGO (156-88) (RUC)
SUBJECT: MORRIS A. SWENKER, aka
ET AL;
WFOIA
OO: ST. LOUIS

Re St. Louis airtel to Chicago dated 5/30/73.

AUSA [redacted] Chicago has advised as follows:

In connection with the article by [redacted] he contacted USA's Office and "tried to make a deal" for information without success. As a result, he apparently wrote a "conglomerate" article covering a lot of material which is not factual. It is true the IRS may have issued up to 35 "pocket subpoenas" in connection with a FGJ, which is the result primarily of investigation by IRS and Postal Inspectors.

In connection with certain specific requests contained in retel, AUSA advised there are no subpoenas pertaining to the Aladdin Hotel, Las Vegas, Nevada; American Motor Inns, Roanoke, Virginia; Council Place, Redevelopment/Development Corporations, St. Louis, Missouri; and the only subpoenas pertaining to [redacted]

AUSA [redacted] advised that in view of their FGJ efforts he would like to know what specific information is

⑤ - St. Louis
1 - Chicago
GLE/dch
(6)

408
156-21

156-21-76	INDEXED
SEARCHED	FILED
SERIALIZED	JUN 11 1973
FBI - SAINT LOUIS	

RM

156-20-93

CG 156-88

the St. Louis Strike Force, looking for and without that information he does not know just what could be made available at this time.

For the information of St. Louis, the Chicago FBI Office is in touch with AUSA [] in connection with the above FGJ for the purpose of securing Bureau interests.

(Mount Clipping in Space Below)

Brewer gets plush position

By JERRY MARSHALL

Gay Brewer isn't about to leave the lucrative professional golf tour, but he has a new job.

The man who won the Masters title in 1967 has been named golf director at the new Murrieta Hot Springs course, a plush \$2.5 million, layout 85 miles southeast of Los Angeles.

Announcement of the PGA tour veteran's appointment was made Tuesday night at a party given at the home of prominent St. Louisans Mr. and Mrs. Morris Shenker.

Brewer just happened to be in town for the \$210,000 St. Louis Children's Hospital Golf Classic at Norwood Hills.

MRS. SHENKER PREXY

"A party tonight and an 8:45 tee time tomorrow morning," the 40-year-old pro observed, smiling. That's when he'll go off in Wednesday's \$5,000 pro-am event.

Mrs. Shenker is president of the \$200 million resort community development situated in rolling green hills. Murrieta's land development offers families several kinds of living — mobile home, condominium or site for a second home. For tourists, there is a new 250-room hotel.

The complex also has a spa which features hot mineral baths and the Tule Root Mud Bath.

Brewer and the Shengkens plan to spend considerable effort to bring people from across the nation for golf vacations.

HIGHLY RESPECTED

"We at Murrieta are delighted and honored to have such a respected professional as Gay Brewer to head our golf program and be our director of golf," said Mrs. Shenker. "Not only is Gay highly respected on the course but off the course as well. He will be of tremendous value to our guests and residents and the entire national golfing world."

Former U.S. Open winner Dick Mayer will be Brewer's pro at Murrieta. The course, built by renowned golf course architect Robert Trent Jones, will be opened officially in September.

"I think this is one of Trent Jones' finest efforts," said Brewer, who has a five-year contract with the Shengkens. "On the tour we play a lot of his courses, but this may be the best."

The layout measures 7,160 yards in rolling terrain and features five water holes.

Has Five Years

"I have five years, so I have time to make it a course suitable for a tour tournament," said Brewer, who has won 11 tour titles. "We hope to get a tournament eventually. It only takes three years for a course to develop out there."

The Shengkens first contacted Brewer last November about the job. "His name was the first we brought up," said Arthur Shenker, who is affiliated with Murrieta.

Brewer made it plain why he accepted.

"For security, really, plus my relationship with the Shengkens. It's going to be a good deal for all concerned."

(Indicate page, name of newspaper, city and state.)

3B (SPORTS)

ST. LOUIS
GLOBE-DEMOCRAT

ST. LOUIS, MO.

Date: JULY 18, 1973
Edition: Daily - Final
Author:
Editor:
Title: MORRIS SHENKER

Character: AR
or

Classification: SL 92-
Submitting Office:

☐ Being Investigated

156-20-94
92-2088-58
SEARCHED INDEXED
SERIALIZED FILED
JUL 18 1973

original
in 92-2088



Gay Brewer was named Tuesday night the director of golf for the new Murrieta Club near Murrieta, Calif. Arthur Shenker does the honors of crowning Brewer with an official cap during an announcement party at the Morris Shenker home.

Globe-Democrat Photo by Howard Vogt

★ ★ ★

★ ★ ★

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7-30-73

A review was conducted of [redacted]
number [redacted]

[redacted] The review was
conducted pursuant to a Federal Grand Jury subpoena
duces tecum and encompassed the period between [redacted]
[redacted]

Interviewed on 7-27-73 at St Louis, Missouri File # SL 156-20-95

by SA [redacted] SS Date dictated 7-27-73

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE ST. LOUIS	OFFICE OF ORIGIN ST. LOUIS	DATE 7-30-73	INVESTIGATIVE PERIOD 5-28-73 to 7-27-73
TITLE OF CASE MORRIS A. SHENKER, aka; IRVIN JULIUS KAHN; ET AL		REPORT MADE BY SA [REDACTED]	TYPED BY SS
		CHARACTER OF CASE WPPDA	

REFERENCE: St. Louis report of SA [REDACTED] 5-29-73.

- P -

ADMINISTRATIVE:

Investigative and reporting periods are lengthy; however, instant matter has been maintained in a current status through interoffice and intra-office communications.

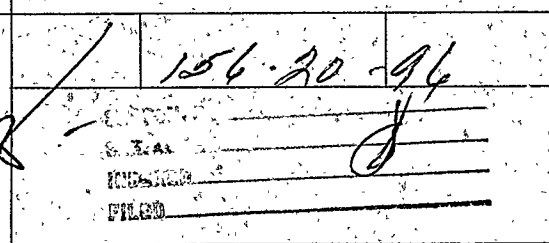
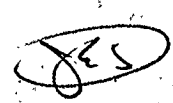
LEADS:

THE ST. LOUIS DIVISION

AT ST. LOUIS, MISSOURI

1) Will interview trustees of Pipefitters Welfare

ACCOMPLISHMENTS CLAIMED					<input type="checkbox"/> NONE	ACQUIT- TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES			
							PENDING OVER ONE YEAR <input type="checkbox"/> YES <input type="checkbox"/> NO PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input type="checkbox"/> NO

APPROVED	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE:		<div style="text-align: right;">156-20-96</div> <div style="text-align: center;">  </div>	
3 - Bureau (156-557)			
1 - USA, St. Louis			
1 - AIC, St. Louis Field Office			
2 - St. Louis (156-20)			
Dissemination Record of Attached Report		Notations	
Agency		<div style="text-align: center;">  </div>	
Request Recd.			
Date Fwd.			
How Fwd.			
By			

SL 156-20

and Pension Funds regarding MORRIS A. SHENKER and loans
grated to borrowers represented by him.

2) Will conduct appropriate investigation
to determine manner in which proceeds of loans were disbursed
and thereafter attempt to trace such disbursement.

3) Will maintain contact with St. Louis
Strike Force attorney [redacted] concerning this
matter.

B*
COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

1 - U. S. Attorney
1 - AIC, St. Louis Field Office

Report of:

SA [REDACTED]

Office:

ST. LOUIS

Date:

July 30, 1973

Field Office File #:

SL 156-20

Bureau File #:

156-557

Title:

MORRIS A. SHENKER;
IRVIN JULIUS KAHN
ET AL

Character:

WELFARE AND PENSION PLANS DISCLOSURE ACT

Synopsis:

On 5-28-73, copy of "Chicago Tribune" article obtained. Article sets forth information that a Federal Grand Jury at Chicago was conducting extensive investigation regarding Teamsters Union Pension Fund loans. AUSA, Chicago, interviewed and stated such investigation as described in article underway; however, newspaper article not entirely factual. Investigation before that Federal Grand Jury being conducted by IRS and Postal Inspector. Details of

[REDACTED]
set forth. Investigation continuing.

- P -

DETAILS: AT ST. LOUIS, MISSOURI

On May 28, 1973, St. Louis Strike Force Attorney [REDACTED] made available a photostat copy of a newspaper article which he advised appeared in the "Chicago Tribune" Section 1, page 7 on May 27, 1973. This article is captioned "Grand Jury Subpoenas Teamster Aides, Records in Probe of Loans". The following is a synopsis of this article:

A Chicago Federal Grand Jury has subpoenaed several Teamster Union officials and hundreds of records during an investigation into millions of dollars in loans made by Teamsters Central States Pension Fund.

The Chicago investigation reportedly is being coordinated with similar inquiries into the funds by grand juries in Los Angeles and Washington, D. C. All are aimed at determining if officials or agents of the fund receive

SL 156-20

kickbacks in return for loans.

Emphasis is being placed on loans made to finance Las Vegas gambling casinos and country club developments on the west coast and the southwest.

AT CHICAGO, ILLINOIS

By communication dated June 7, 1973, the Chicago Division of the Federal Bureau of Investigation stated that AUSA [] had supplied the following information:

In connection with the article by [] he contacted USA's Office and "tried to make a deal" for information without success. As a result, he apparently wrote a "conglomerate" article covering a lot of material which is not factual. It is true the IRS may have issued up to 35 "pocket subpoenas" in connection with a FGJ, which is the result primarily of investigation by IRS and Postal Inspectors.

[] also stated that subpoenas had been issued pertaining to [] both of which involve []

b3
b6
b7C

(Mount Clipping in Space Below)

U.S. may study union violence here

By JACK FLACH and ROBERT TEUSCHER
Globe-Democrat Staff Writers

A U.S. Senate subcommittee may investigate the politically powerful Steamfitters Local 562 in the wake of recent violence and ties with organized crime, the subcommittee chairman said Sunday.

Sen. Henry M. (Scoop) Jackson, (Dem.), Washington, chairman of the Senate investigations subcommittee, said he will ask Howard L. Feldman, general counsel of the subcommittee, to make a preliminary investigation.

Feldman's inquiry will determine whether

full-scale investigation by the subcommittee is warranted, Jackson said.

Jackson noted that the subcommittee investigates only those areas in which there is reason to think there have been flagrant violations of federal laws and that the situation isn't being handled at the local level.

JACKSON SAID HIS subcommittee has received several inquiries from persons wanting the Senate group to investigate the Steamfitters here.

In recent months, the business manager of Local 562 was shot to death, a long-time labor hoodlum and employee of the local was killed when a bomb exploded under his car and a

Local 562 business agent narrowly escaped death when a bomb exploded under his car, tearing his legs off.

Officials of the international union have indicated they are not interested in placing the local union in trusteeship.

Would-be reformers within the union are making plans to present an opposition slate in union elections, but they fear for their lives.

While police think the two bombings and the shooting are related, the killings and slaying remain officially unsolved.

JACKSON'S SUBCOMMITTEE was former-

ly known as the McClellan committee and conducted several racketeering investigations.

The committee was headed for several years by Sen. John L. McClellan (Dem.), Arkansas.

The Steamfitters have a long history of dictatorial rule, violence, and rich health and welfare political "slush" funds.

The "slush" fund, made up of contributions from individual members, has long been used to win powerful friendships in legislative bodies.

In testimony during a 1968 trial, in which the union and some of its officers were charged with violating election laws, it was brought out that Local 562 made contribu-

tions to political campaigns ranging from the presidency to U.S. senators and representatives in a dozen states.

According to its own figures filed with the U.S. government, Local 562 has spent \$1.2 million on political campaigns since 1965.

DISSIDENTS WITHIN the union think controls over the political fund are not strict enough.

Dissidents also fear that control of the local's health and welfare fund, now estimated to have assets of \$40 million, may be attractive to undesirable elements.

One of the more recent investments by the fund was a reported loan of \$4.5 million to a resort in Southern California.

Other reported investors in the property include a Nevada bank which has lent millions to Las Vegas casinos; Sidney Wyman, former St. Louis bookmaker who is one of the op-

erators of a Las Vegas casino; Morris Shenger, prominent St. Louis criminal attorney; and Sorkis J. Webbe, former St. Louis public administrator and a key figure in a Las Vegas casino.

The union for many years has been infiltrated by hoodlum elements and has had ties with organized crime figures.

LAWRENCE L. Callanan ran the union from the time he took control during World War II until his death in May, 1971, except for a five-year gap while serving a prison sentence after a conviction for labor racketeering.

President Lyndon B. Johnson pardoned Callanan in April, 1964, allowing him to officially resume control of the union.

Callanan's successor, Edward Steska, was shot to death in the union office Feb. 24, 1972. Prosecutors charged that union mem-

(Indicate page, name of newspaper, city and state.)

1A ST. LOUIS
GLOBE-DEMOCRAT

ST. LOUIS, MO.

Date: JULY 30, 1973
Edition: Daily - Final
Author:
Editor:
Title:

Character:

or

Classification: 52 92-

Submitting Office:

☐ Being Investigated 92-538

156-20-97
SEARCHED.....INDEXED.....
SERIALIZED.....FILED.....
JUL 30 1973

befs refused to cooperate in the investigation of Steska's killing.

Louis D. Shoulders, labor hoodlum and security guard for Local 562, was killed Aug. 26, 1972, when a bomb exploded under his car in Southwest Missouri.

Thomas J. Callanan, 26, the elder Callanan's son and a rising power in the union, was critically injured last month when a bomb exploded under his car.

The Callanan bombing caused police to reopen an investigation into the bomb-killing of F. Lyman Davis. Davis, a friend of Shoulders', was killed in October, 1972.

Shortly after the Callanan bombing, police say representatives of two hoodlum factions in St. Louis met—presumably to discuss a successor to Local 562 business manager Virgil Walsh when he retires.

10/11/73

ST. LOUIS (100-173)

SAN DIEGO

FROM LAS VEGAS (92-3465) (P)

CLADDIN HOTEL, LAS VEGAS, NEVADA; MORRIS A. CHAMBER; ET AL;
ITAP-GAMBLING; OO: ST. LOUIS.

LAS VEGAS SUN NEWSPAPER THIS DATE REFLECTS THAT
JAMES KAHN, CHAIRMAN OF THE EXECUTIVE COMMITTEE OF CONTINENTAL
CONNECTOR CORP. WHICH OWNS THE DUNES HOTEL, DIED ON THE
NIGHT OF 9/10/73 AT HIS HOME IN LAS VEGAS.

b2
b7D

[REDACTED] ADVISED THIS DATE, KAHN WAS ACTUALLY AT HIS
RESIDENCE IN SAN DIEGO AT TIME OF HIS DEATH.

END

off
9-11-73

ST. LOUIS (100-173)

b6
b7C

156-173-20-98
SEARCHED INDEXED
SERIALIZED FILED

original
in 166-173

FBI

Date: 9/13/73

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL AIR MAIL
(Priority)

TO: SAC, ST. LOUIS (166-173)

FROM: SAC, LAS VEGAS (92-3465) (P)

SUBJECT: ALADDIN HOTEL
LAS VEGAS, NEVADA
MORRIS A. SHENKER;
ET AL
ITAR - GAMBLING
OO: LV

Re LV tel, 9/11/73, and LV airtel, 9/12/73.

Enclosed herewith for St. Louis is one xerox copy of the newspaper article pertaining to SORKIS WEBBE, which appeared in the Las Vegas "Sun" Newspaper, on 8/24/73. Also enclosed for St. Louis is xerox copy of newspaper clipping pertaining to IRVIN J. KAHN, relative to his death in San Diego, which appeared in the Las Vegas "Sun" on 9/12/73.

[redacted]
[redacted] Carson City, Nevada, confidentially advised SA [redacted] on 9/4/73, that the Dunes Hotel Las Vegas, was purchased by the Continental Connection Corporation and further that that corporation is under the control of MORRIS A. SHENKER and IRVIN KAHN.

② - St. Louis (Enc. 2)
1 - Las Vegas
MBP/den
(3)

156-20-99
166-173-70

SEARCHED	INDEXED
SERIALIZED	FILED

Approved: _____
Special Agent in Charge

Sent _____

LV 92-3465

[redacted] further stated that during investigation by the Nevada Gaming Control Board relative to SHENKER, they did determine that SHENKER appeared to be acting for the teamsters union pension fund, in the dispensing of loans. He stated that when interviewed by the Gaming Control Board, SHENKER was very cooperative and opened all of his books and records which were requested.

(Mount Clipping in Space Below)

Irvin Kahn Service Scheduled Today

Funeral services for Irvin J. Kahn, 58, a prominent Nevadan and Southern California resort developer, will be today at 11 a.m. in San Diego at Cypress funeral Parlor.

Kahn died Monday night at his home in the San Diego area of an apparent heart attack while watching the Ali-Norton fight over closed circuit. Kahn was chairman of the executive committee of the Dunes Hotel and Country Club in Las Vegas. He was involved in land projects in Canada and Mexico as well as the United States.

His Las Vegas interests included serving as a director of the M and R Investment Co., of which the Dunes Hotel is a subsidiary and of Continental Connector Corp., an eastern-based firm of which M and R is a subsidiary.

He was also owner and developer of the Murietta Hot Springs Resort in Riverside, Calif., the Mission Hills Country Club in Palm Springs, Calif., and the Shelter Island Resort in San Diego.

Kahn was with friends when he was stricken while watching the Monday night fight between Muhammad



IRVIN J. KAHN

Ali and Ken Norton, a spokesman for the family said.

A police ambulance took Kahn to Mercy Hospital in San Diego where he was pronounced dead.

He is survived by his widow, Eleanor of La Jolla; two sons, Martin and Sandy; a daughter, Barbara, and two brothers, Yale and Julius.

(Indicate page, name of newspaper, city and state.)

Date: 9-12-73
Edition:
Author: Jim
Editor:
Title: P1

Character: 92-3465
or
Classification:
Submitting Office:

156-20-100

SEARCHED INDEXED
SERIALIZED

original
in 166-173